

Leonardo

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## Clinton Intends to 'Do My Job'

Never Stopped Conducting Foreign Affairs, He Says

By Brian Knowlton  
International Herald Tribune

WASHINGTON — President Bill Clinton stated firmly Wednesday that he was determined to continue to lead the country and vigorously pursue his conduct of foreign and domestic affairs.

Mr. Clinton made the comments in his first encounter with reporters since the report by the independent counsel Kenneth Starr on his affair with Monica Lewinsky was made public last Friday. He spoke at the State Department in a joint news conference with the visiting Czech president, Vaclav Havel.

While acknowledging the turmoil

that the Starr report has created about his leadership, he repeatedly emphasized his obligation to the American people and to his family to remain in the White House.

"Now that they know what happened, they want to go on and want me to go on and do my job, and that's what I intend to do," he said. "That is the right thing to do."

Polls so far have shown a majority of Americans oppose forcing Mr. Clinton from office.

"I am seized on two things. I am trying to do the still quite painful work that I need to do with my family in our own life, and I'm determined to lead this country and to focus on the issues that are before us," Mr. Clinton said.

Asked about his handling of foreign policy, he said: "I have never stopped leading this country in foreign affairs in this entire year, and I never will."

Mr. Clinton also warned of "a major humanitarian disaster" in Kosovo, where tens of thousands of ethnic Albanians are hiding in the mountains after Serb attacks.

"It is imperative that we move forthrightly with our allies as firmly as possible to avert the humanitarian tragedy and then to get a political solution" in

the war-torn Yugoslav province, Mr. Clinton told the news conference.

Amid rising concern in foreign capitals about the threat to Mr. Clinton's leadership posed by the grave charges in the Starr report, he said he had remained closely in touch with other world leaders, and was "very, very heartened" by reaction from foreign leaders to his call Monday for a joint approach to the spreading global economic crisis.

For Mr. Clinton, it was yet another awkward clash between statesmanship and political scandal.

But he received welcome support from Mr. Havel, the former political dissident whose determined fight against Communist rule in the former Czechoslovakia conferred on him a powerful aura of integrity and international prestige.

Mr. Havel artfully sidestepped questions about Mr. Clinton's predicament, saying that there were many facets of American life he understood — and some that he did not.

Mr. Clinton, in response to a direct question about the possibility of his resignation, said, "I intend to go on, to do my job."

See CLINTON, Page 6



Mr. Clinton strolling Wednesday in Washington with President Vaclav Havel of the Czech Republic.

## No Global Rate Cut Seen by Greenspan

### Fed Chairman Doesn't Suggest Quick Reduction in U.S. Either

By Mitchell Martin  
International Herald Tribune

NEW YORK — Quashing hopes of a global reduction in interest rates to bolster weak economies, Alan Greenspan, chairman of the Federal Reserve Board, said Wednesday that developed countries were not working on a coordinated move.

"I think that I can safely say that at the moment there is no endeavor to coordinate interest-rate cuts," Mr. Greenspan said, addressing the House Banking Committee in Washington.

There is, however, "fairly extensive" contact among the central banks of the big developed economies, he said.

Mr. Greenspan, appearing before the committee with Treasury Secretary Robert Rubin to discuss the global economy, did not indicate that the U.S. central bank would move quickly to reduce relatively high domestic interest rates in response to problems in other countries, an idea broached as a possibility earlier this month.

"Our actions must be focused at the end of the day on the American economy," he said in response to a question from Representative John LaFalce, Democrat of New York.

Mr. Greenspan left unclear the outlook for U.S. rates, but Robert DiClemente, economist at Salomon Smith Barney, noted that bond traders were taking the position that a reduction was not imminent. The 30-year Treasury bond's yield fell to 5.23 percent, from 5.26 percent on Tuesday, indicating traders felt the economy was most likely to weaken rather than get a boost from a cut in short-term rates, Mr. DiClemente said.

The Brazilian stock market was also hurt by the testimony from Mr. Greenspan and Mr. Rubin, and the benchmark Bovespa index, which had been about 9 percent higher for the day, finished about 2 percent lower. Brazil, which has seen significant outflows of money in recent days, was hurt both by the waning chances of a global rate cut and by Mr. Rubin's refusal to confirm that there are plans to help the country defend its currency, the real.

In response to a question from Mr. LaFalce, who asked if the United States would "draw the line in Brasilia" to "arrest any further devaluation" in the real, Mr. Rubin said, "I think it is probably



Treasury Secretary Robert Rubin refused to confirm that there were plans to help Brazil's currency.

## Bad Numbers In Asia Show The Recession Is Worsening

By Sheryl WuDunn  
New York Times Service

TOKYO — As statistics and despair pile up in the countries of Asia, it is becoming clear that the region's recession is deepening, along with the economic and social devastation it brings.

The number of people out of work is rising, and economic output is sinking at its fastest rate in years — in leading countries such as South Korea and Japan, it has been decades since there has been a decline so severe and so widespread.

Banks in many countries are shaky, and corporate failures are feeding a sense of gloom. Stock markets in much of the region have fallen by more than half from their peaks: Malaysia's is down 80 percent in two years.

Unemployment has soared. Soup kitchens and rice lines are appearing around the region, and parks and boulevards are filling up with the new homeless.

United States ready for massive deficits to help Asia. Page 14.

As governments across East Asia have released half-year report cards in the last few weeks, hopes that there will be a recovery soon have vanished.

"A handful of countries are under depression," said Tim Condon, regional economist at Morgan Stanley Dean Witter in Hong Kong. "People's expectations are adjusting downward. They're close to the point of despair."

Mr. Condon is one of a number of economists beginning to call the predicament of some Asian countries a depression. He does not compare it, yet, to the Great Depression of the 1930s but says it is much more severe than a mere recession, which has been the common experience in the era since World War II and is usually characterized by a relatively short and shallow fall in output that leads to a moderate rise in unemployment.

In particular, Indonesia, South Korea, Thailand, Hong Kong and Malaysia are undergoing severe contractions in their economies and spikes in unemployment.

Countries with stronger economies are being affected as well. Governments are trimming their growth projections to about 1 percent in the Philippines and Singapore, which do not have the same structural problems as the countries in recession.

Now has China emerged unscathed. See ASIA, Page 12

## Allies Worry About U.S. Leadership

Appalled at President's Humiliation, They Fear for World Agenda

By Joseph Fitchett  
International Herald Tribune

PARIS — The international reaction to President Bill Clinton's political woes has been passionate, almost irate in allied countries, partly because most foreigners are appalled by the humiliating public stripping of a national leader. But passion is also high because many people in these countries feel that the potential for a paralysis of U.S. power will imperil their own national interests, diplomats and officials said Wednesday.

The international agenda is suddenly jammed with urgent questions — economic, military and organizational — that require U.S. leadership to catalyze some useful consensus among allies who are able to do little or nothing separately," said Jonathan Eyal, director of studies at London's Royal United Services Institute.

Explaining why the juncture of these questions with Mr. Clinton's predicament is so crucial, Mr. Eyal said that

"for the first time since the end of the Cold War, the core principles on which the West is organized — democracy and free markets — are under serious threat, and only the American presidency has the authority to attempt restoring these foundations."

This historic challenge is manifest in the nearly anarchic state of Russia and the protectionist momentum in Asia, where a rising chorus of influential voices has started advocating curbs on markets.

Ominous developments have emerged in quickening tempo recently in North Korea, Iraq and Kosovo — all hot spots where U.S.-led containment policies seem to be unraveling and offering fresh opportunities to Pyongyang, Baghdad and Belgrade.

The risk now, Donald Cameron Watt, a distinguished Cold War historian, said recently, is that Saddam Hussein or "some of the other naughty boys might be tempted to see how far they could take advantage" of any power vacuum in Washington if President Clinton's

energy is sapped by an impeachment inquiry.

In encounters with British, French, Germans and other Europeans in recent weeks, a former American ambassador reports, "I'm assailed by angry Europeans about what is happening in America — because they realize that they depend on Washington more than on their own governments to handle international problems."

London, Bonn and Paris, for example, look to Washington to set the pace in handling the response to India's nuclear tests and the danger that many analysts see of armed conflict between India and Pakistan over Kashmir.

Suddenly, Ukraine's future looks uneasy as a neighbor under threat of being dragged down by Russia's economic collapse and worsening political instability.

Cyprus, with its plan to acquire Russian-built missiles, has brought Turkey and Greece to the point of threatening

See POWER, Page 6

See ECONOMY, Page 12

## Italians Can't Believe Ears: Movies Lose Their Voices

By Alessandra Stanley  
New York Times Service

ROME — For the first time in Italian history, *Roma, the heroine of "The Guiding Light,"* beat on the chest of her handsome shipwreck companion and raged this week in her native English. Tiny subtitles tried to keep up with the heaving dialogue, but most loyal television viewers were confused and outraged.

The broadcast of one of Italy's most beloved soap operas in its original soundtrack was the most startling sign to date of the havoc a two-month strike by dubbers has wreaked on the Italian television and movie industry. The strike also threatens to block the release of "Saving Private Ryan," Steven Spielberg's latest hit, as well as "Lethal Weapon 4" and more than a dozen other long-awaited movies.

Italians have long grown inured to strikes by train conductors, teachers and hospital workers, but the revolt of the hidden voices of cinema has caused a whole new level of panic.

For historic and cultural reasons, dubbing is a deeply entrenched tradition. Far more than their

French or German counterparts, Italians prefer to watch Jim Carrey or Harrison Ford speaking Italian. If the strike continues, it will cost movie studios millions and millions of dollars. Television networks have even more money at risk.

For now, at least, the strikers appear unwilling to relent.

"The objective fact is that the work of dubbers has been horribly exploited," said Oreste Lionello, the suitably whiny Italian voice of Woody Allen. "They have kidnapped our vocal cords."

In the United States, where fewer than 2 percent of movies are in foreign languages, a dubbers' strike would go unnoticed in Italy, where more than 75 percent of new releases are imports, the sudden silence has all but paralyzed the movie and TV industry.

The strike is a battle for a national contract, better wages and a share in royalties. It is also an effort to preserve the dignity of a profession that many view as a dying art.

There are now more than 20 dubbing companies in Italy, and at least 1,000 professional dubbers. Italian film awards like the Davide, the local Oscar, have

long had a category for best dubber of the year.

Some of the best-known Italian dubbers are celebrities in their own right who can demand movie-star fees and celebrity endorsements.

Ferruccio Amendola, who is the Italian voice of Robert De Niro, Sylvester Stallone and Dustin Hoffman, is also famous for his fabric-softener commercials.

"The Italian public is accustomed to hearing my voice," he said. "If they heard De Niro speaking, they wouldn't know what to think."

Mr. Amendola, who is observing the strike, was supposed to be busy this month directing the dubbing for a Michael Douglas movie, "A Perfect Murder," which is one of 15 major films whose release in Italy is now in question.

"We are talking about huge losses," said Richard Borg, head of the Rome office of United International Pictures, which has postponed its planned October release of "Saving Private Ryan" and three other films indefinitely. He said his company might

See DUB, Page 12

## U.S. Air-Safety Sleuths Draw Imitators

By Don Phillips  
Washington Post Service

HALIFAX, Nova Scotia — Over the last year or so, Gregory Feith has shuttled between faraway places like Guam, South Korea and the jungles of Indonesia, as well as a variety of American swamps, fields and forests. Most recently, Mr. Feith, a U.S. air-crash investigator, has traveled to Nova Scotia, where he is looking into the crash of Swissair Flight 111, which killed 229 people.

Such an itinerary is not unusual for the shock troops of the U.S. National Transportation Safety Board, who have spent years exporting the U.S. brand of safety investigation to the rest of the world.

In the three decades since the U.S. safety board was created, a number of other countries have begun to emulate its methods of monitoring transportation safety, from the air to railroads to highways to waterways to pipelines.

The board actively works to promote similar independent investigation boards in other countries, particularly under the current chairman, Jim Hall, partly because many air crashes involve American-made aircraft. Mr. Hall has appointed a veteran official of the board, Ronald Schleede, to head its international efforts.

Twelve of the independent republics of the old Soviet Union have formed the Interstate Aviation Committee with the

help of the U.S. safety board. In 1994, the European Union passed a directive requiring member countries to investigate crashes through an independent agency. Singapore, South Korea, Taiwan, Argentina, Peru, Sweden, Holland and Portugal are among the countries that have recently either formed independent boards or have them under discussion.

Canada is a prime example of the success of this U.S. export. The Transportation Board of Canada, created in 1990, was patterned after the U.S. safety board. Today, the Canadian board has developed an international reputation of its own, helping to negotiate

See SAFETY, Page 12



The Dollar		
New York	Wednesday 8:45 P.M.	previous close
DM	1.6939	1.691
Yen	135.2	133.98
FF	5.6805	5.686
Pound	1.6785	1.6785
Dollars per pound.		
The Dow		
Wednesday close	percent change	
+65.38	8,089.78	+0.81%
S&P 500		
+7.80	1,045.48	+0.75%
Nasdaq		
+11.80	1,689.91	+0.70%

See OPTIONS, Page 6

Newstand Prices

Bahrain	1.000 BD	Malta	55 c
Cyprus	C £ 1.00	Nigeria	1,260 Naira
Denmark	14.00 DKR	Oman	1.250 OR
Finland	12.00 FM	Qatar	10.00 QR
Gibraltar	£ 0.85	Rep. Ireland	IR £ 1.00
Great Britain	£ 0.90	Saudi Arabia	10 SR
Egypt	£ 5.50	S	

## Oil Industry / Texas-Sized Conference

## New Era of Cheap Crude Brings Unhappy Déjà Vu

By Allen R. Myerson  
New York Times Service

**H**OUSTON — This city is throwing a party for more than 30 oil ministers and executives from at least 82 countries this week. To make sure everyone attending the World Energy Council Congress feels sufficiently welcome, the city greeted them Saturday night with a light show featuring 2 million watts of spotlights, 14 powerful lasers and 12 tons of explosives, enough to make car alarms wail all over downtown.

Coming Thursday is what is being billed as the state's largest sit-down dinner ever, at the AstroDome, where normally 55,000 fans watch Major League Baseball games.

But not even the local brand of relentless hospitality can make up for oil prices that nobody here wants to celebrate. So the gathering this week of the most powerful figures in world energy has become only a brief break from a new and unexpected round of cutbacks and, in some cases, layoffs.

Just a year ago, executives griped about the bonuses they had to pay to hire and keep geophysicists. Now they wonder how to keep those geophysicists busy.

"Have you found anybody who is not cutting back?" asked Robert Mosbacher, a former commerce secretary. He recounted how the Houston company that bears his name had delayed planned drilling in Mississippi, Texas, Louisiana and several foreign nations.

Compared, of course, with the industry's roller-coaster ride through the 1970s and 1980s, the 1990s might seem more like sun boats. Still,

companies that boasted last year of having the slimmed-down staffs and the new oil-finding technologies to weather low oil prices are saying that by "low" they never meant the current \$14 a barrel.

"The industry is suffering from reverse sticker shock," said Daniel Yergin, the president of Cambridge Energy Research Associates and one of the meeting's featured speakers.

Scott Sheffield, the chief executive of Pioneer Natural Resources Co., for example, gathered employees Tuesday to urge them to cut every expense.

Pioneer completed about \$3 billion worth of acquisitions last year, becoming one of the largest independent oil companies in the United States. It also contracted for drilling services at top dollar. This year, to help pay down \$2 billion in assumed debt, Pioneer has had to dispose of about 10 percent of its properties. Exploration and production outlays have been cut to \$450 million from \$600 million this year and will drop to \$300 million next year.

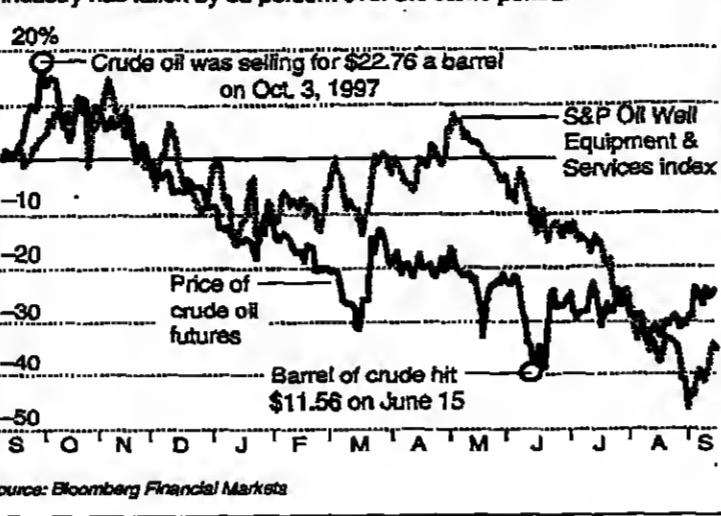
"We were flying high until oil prices cratered," said the public relations chief of Pioneer, Marsha Sheffield, before leaving to help her husband prepare his cost-cutting appeal.

**T**HE MAJOR U.S. oil companies — with interests in refineries, gas stations and petrochemical plants — are more diversified and financially stronger, but not immune. Texaco Inc. has cut its \$4.6 billion exploration and production budget by about 10 percent.

But the oil field service companies are fully exposed to the crisis. Nabors Industries Inc., the world's largest land driller, has cut nearly 3,000

## The Well Is Running Dry

A year is a long time in the oil business. The price of crude is off almost 25 percent from last September, while the Standard & Poor's Index that measures the performance of companies serving the oil industry has fallen by 35 percent over the same period.



Source: Bloomberg Financial Markets

workers across the oil patch from a peak of 13,000 last autumn. A year ago, Nabors had to ask customers seeking rigs and crews how long they could wait. Now the only question is, "How soon can we start?"

Among other oil field service companies, EVI Weatherford Inc. laid off 1,300 of its more than 11,000 employees this year, and Schlumberger Ltd. laid off 700 of its 9,200 domestic oil field service employees through July.

Houston, and Texas more generally, where technology has passed energy as the state's largest employer, are unlikely to feel overly the pain of the 1980s. Then, entire office towers and subdivisions were left vacant as developers and homeowners walked away from properties and payments.

Last year, through July, oil and gas production gave the Houston region 3,800 new jobs. Through July this year, the industry lost 100 jobs. Overall, the continuing expansion in retailing and construction allowed the area to keep adding jobs at a strong pace.

But Robert Gilmer, a Houston-based Federal Reserve Board economist, said those sectors were coasting on the energy industry's past strength: he predicted a slowdown for the rest of the year. "We can't survive for long by taking in each other's laundry," he said.

The base for Houston is a boon for the rest of the nation, as low energy prices help sustain strong economic growth with scant inflation. But oil-exporting nations like Russia and Mexico are being pinched.

The World Energy Council, representing the interests of energy producers across several industries, gathers in a different spot every three years. Breakfasts, lunches, receptions and dinners often combine deal-making and international diplomacy.

At a Monday breakfast, drilling company executives vied for the attention of the guest of honor, Luis

Ginsti, chief executive of Petroleos de Venezuela S.A. Even Venezuela, having displaced Saudi Arabia as the United States' largest foreign source of oil, has cut its capital budget, mostly for exploration and production, to \$4 billion from \$6 billion.

"I think the \$18 to \$20 oil era is going to be replaced by the \$14 to \$16 era," Mr. Ginsti said of barrel prices.

Experts attribute low prices to funds

among exporters and the near-evaporation of Asian demand. U.S. energy companies at least have the consolation of steady natural gas prices. But with huge volumes in storage, these companies are praying as fervently as ski resort operators for a frigid winter.

So far, the citizens of Houston — and, in the 1990s, oilwomen — have remained optimistic enough to avoid serious cutbacks on life's necessities. But, chastened perhaps by past reversals, they have far fewer necessities than in the 1970s.

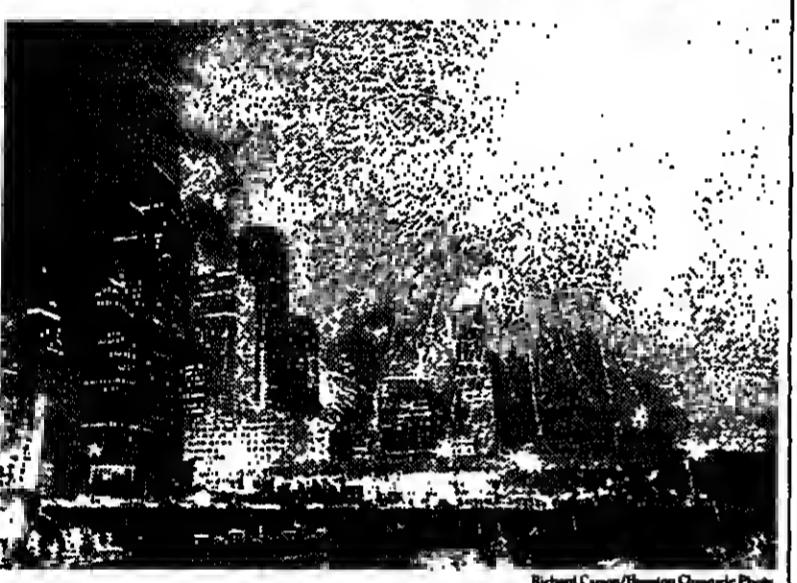
Back then, recalled Stephen Zimmerman, owner of La Colombe d'Or, a restaurant and hotel installed in an oil baron's mansion, oilmen would begin with Dom Pérignon, move on to choice burgundies and first-growth bordeaux — "whatever they could pronounce" — and finish with \$100 shots of century-old armagnac.

And that was for lunch.

Then came the 1980s crash. Mr. Zimmerman had a friend deliver an oil barrel, planted it in his entrance hall and pegged the price of lunch to the price of crude.

But even in the best of recent times, his biggest seller had been the house wine, and then only at dinner. "The newer guys never learned to entertain," he sniffed. "A lot of them think a Caesar salad and grilled chicken breast is a gourmet meal."

Mr. Zimmerman, for one, has made provisions in case a still lower oil price compels an even more modest style. Back in the garage site the oil barrel, ready for its return.



Some of the 12 tons of fireworks Houston used to welcome the officials.

## UN Study of Terror in Algeria Stirs Up a Storm

By Barbara Crossette  
New York Times Service

**UNITED NATIONS**, New York — A panel of high political figures who recently visited Algeria to study extremist violence, which has killed tens of thousands of people, blamed terrorists for most of the deaths in a report made public Wednesday.

It added that the Algerian government merited the world's sympathy.

The results of the two-week study brought immediate criticism from human rights groups, although the report of the team, led by Marios Soares, a former president of Portugal, confronted government forces with allegations of "excesses" against civilians and said that the country's official human rights body had "no credibility."

Amnesty International called it a "whitewash" of Algerian government of human rights abuses.

The organization was critical of the small number of prisoners and dissidents the panel interviewed.

Members of the team, which was appointed by Secretary-General Kofi Annan, were not allowed to talk with leaders of the outlawed Islamic Salvation Front, which had become a major political force by 1990, or other controversial Algerians deemed to be security risks by the government.

The team apparently made no effort to meet members of the Front or its supporters abroad.

The team — with two former prime ministers, two cabinet-level officials and a former ambassador, Donald McHenry of the United States — was not able to interview the head of Algerian security forces, who was described as "out of town."

Requests to meet with members of Berber cultural organizations were rejected.

Most of the allegations against both

sides in the Algerian conflict that the high-level team examined were well known before the group visited the country at the end of July and the beginning of August.

Algeria has been close to a state of armed chaos — and under emergency rule — since the military canceled elections in 1992 after it became apparent that Islamic parties, led by the Salvation Front, would win in a second round of voting.

Although Islamic radicals are widely blamed in Algeria for massacres as well as widespread intimidation and violence against women, the high-level team came away convinced that there was no political rationale for the terrorism.

This viewpoint is fostered by the government, which has sought to dissociate the terrorist attacks from the thwarted 1992 elections.

Testimony from women also indicated that Islamic conservatives who support the government have been allowed to prevent family laws from being reformed substantially.

Islamic fundamentalism is thus prevalent on both sides, human-rights groups say.

The Algerian president, Lamaine Zeroual, announced recently that a presidential election would be held before next spring, but there is little likelihood that banned Islamic organizations will be able to take part.

At Human Rights Watch in Washington, Eric Goldstein, a Middle East expert, said that the study by the United Nations team should never have been considered an international human rights investigation, which Algeria has always barred. Mary Robinson, the United Nations high commissioner for human rights, was rebuked by Algeria when she suggested last year that the world should become involved.

"The report that this commission has

just issued underscores the fact that they did not conduct a human rights investigation," Mr. Goldstein said.

In recent days, at least 40 people have been reported killed in Algeria in massacre-style attacks.

The high-level team was critical in its report of the lack of government transparency in dealing with cases of alleged abuse by government forces.

It said that the government needed a "change of mentality" in the courts as well as in the armed forces and the police. The team was told by Algerian citizens that "ill-treatment and torture" are frequent in police custody. Cases were cited of judges who turned a blind eye to torture, the report said.

The report also noted the controls and pressures the government applied to the press, and it raised questions with the Algerians about the possible dangerous effects of arming civilian communities for self-protection.

## Corrections

Because of an editing error, an article on Page 1 of Wednesday's editions reporting concerns of U.S. diplomats about President Bill Clinton's problems at home incorrectly attributed comments to Stephen Bosworth, the U.S. ambassador to Korea. He did not say that Mr. Clinton might face a special handicap in dealing with members of Congress, nor did he describe the handicap as one related to the president's clout with Congress.

An article in editions of Sept. 9 mischaracterized the holdings of Robert Bass, an American financier. Mr. Bass has no stake in Human Genome Sciences Inc., although some members of his family do. Also, Mr. Bass, not the Bass family, took part in a bid for credit Foncier de France SA.

In addition to Mr. Soares, the team members were Inder Kumar Gujral and Abdel Karim Kabariti, former prime ministers of India and Jordan, respectively; Mr. McHenry, a former American representative to the United Nations; Simone Veil, former minister of state in France and president of the European Parliament, and Amos Wako, attorney general of Kenya.

Officials said the mid-19th century fountain by Gabriel Davioud was cracked and covered by moss and droppings.

Three unions representing Air France pilots threatened Tuesday to strike Sept. 24 and 25 unless the company agreed by Friday to talks. (AP)

## Iran Says It Wants Peace With Taliban But Its Troops Stream to Afghan Border

By Douglas Jehl  
New York Times Service

TEHRAN — Even as fresh contingents of Iranian troops headed for the Afghan border, some senior Iranian officials insisted Wednesday that the country had no appetite for conflict and wanted international help in resolving a conflict with Afghanistan's militant Taliban movement.

That diplomatic quest will be high on President Mohammed Khatami's agenda when he travels to New York next week to speak to the United Nations General Assembly, the officials said in interviews here.

"We are in no rush to fight, and we are definitely not willing to start now," said Mohsen Aminzadeh, a deputy foreign minister who has been Iran's top diplomat handling the Afghanistan crisis.

The comments seemed intended to soften the belligerent tone of other recent Iranian pronouncements. Even though Iran has already massed tens of thousands of troops along the Afghan border and has threatened to launch a military attack, the officials insisted that their government was seeking a diplomatic solution to tensions inflamed over the killing by Taliban forces of at least eight Iranian diplomats.

"We are not in a position right now to invade Afghanistan," said Javad Larijani, director of the Parliament's foreign policy institute.

But we are in a position to confront any trouble which might spill over our borders."

On Wednesday, the Iranian military announced that nine more Army divisions were heading for the country's eastern border and would be in place by Saturday to take part in previously announced military exercises there.

Together with army and Revolutionary Guards troops already there, military experts here said, that would amount to the deployment of more than 250,000 troops to the border with Afghanistan — half of Iran's total military force.

At the same time, the official Iranian news agency IRNA quoted the commander of the Revolutionary Guards, Major General Yahya Rahim Safavi, as having told his top subordinates that Iran's foes were trying to draw the country into war. General Safavi vowed that Iranian forces would "thwart all conspiracies in the offing."

Tensions between Iran and the Taliban, the militant Islamic movement that controls most of Afghanistan, have been increasing since the Taliban acknowledged

edged that their soldiers had carried out the killing last month of at least eight Iranian diplomats and a journalist in the northern Afghan town of Mazar-i-Sharif.

But two other Iranian diplomats missing and feared dead since the Aug. 8 attack were reported Wednesday to have reached Iran safely. One, who had been in the Iranian consulate in the city when it was stormed by Taliban forces, said that everyone else in the compound had been executed and that he had been left for dead.

Taliban officials have promised to punish the soldiers who carried out the attack, who they said had acted without orders. But they have rebuffed an Iranian demand that those responsible be handed over to the Iranian authorities or to an international tribunal, and the top Taliban leader, Mullah Mohammed Omar, has refused another Iranian demand by refusing to issue a formal apology for the incident.

As each side tries to portray itself as the aggrieved party, the Taliban movement has asked the United Nations to establish a mediation process to defuse the tensions that both sides have warned could lead to a dangerous war. But Iran has insisted that the United Nations, whose Security Council has condemned in strong terms the killings of the diplomats, should not act as a neutral body but should intervene on its behalf.

In the interviews Wednesday, the Iranian officials said they believed an acceptable solution to the crisis could be found if the Taliban soldiers responsible for the killings were forced to face a United Nations tribunal, and if the United Nations took other unspecified steps intended to prevent the Taliban forces from carrying out what Iran has warned could be further atrocities.

Mr. Khatami will almost certainly press that campaign during his visit to the United Nations next week, the Iranian officials said, on what will be his first trip to the United States. But because the government of Iran and the United States do not have diplomatic relations, Mr. Khatami is not expected to meet with American officials.

Iranian officials have already vowed to exact a severe price for the diplomats' killings and those who spoke in interviews Wednesday refused to say how long the Tehran government might wait before it concluded that diplomatic avenues had been exhausted. But they suggested that whatever military action Iran might now be considering against the Taliban would stop well short of an all-out invasion.

## TRAVEL UPDATE

## Parisian Statue at Risk

PARIS (AP) — The archangel-preserved striking down a demon at Paris's landmark Saint-Michel fountain is losing the battle of time against pigeon droppings and harsh weather.

A decision on a 1.7-million-franc (\$300,000) four-month restoration of the fountain facing the Seine in the Latin Quarter will be made later this month.

Officials said the mid-19th century fountain by Gabriel Davioud was cracked and covered by moss and droppings.

Travelers should take care while motoring in Mexico as roads and bridges remain washed out after extensive flooding in the states of Chiapas and Oaxaca, the State Department said. Parts of the Pan American highway were obstructed. (AP)

## WEATHER

Europe Forecast for Friday through Sunday, as provided by AccuWeather.

Europe		North America		Asia	
Today	Tomorrow	Friday	Saturday	Today	Tomorrow
High	Low	High	Low	High	Low
Cloud	Cloud	Cloud	Cloud	Cloud	Cloud
Wind	Wind	Wind	Wind	Wind	Wind
Albany	70°/57°	70°/57°	70°/57°</		

It Wants  
with Taliban  
to Afghan Border

## THE AMERICAS

## Schumer Will Challenge D'Amato in New York

Again a Loser, Ferraro Ends Her Political Career; Vallone Wins Right to Face Pataki

By Adam Nagourney  
New York Times Service

NEW YORK — Representative Charles Schumer of Brooklyn, reaping the fruits of a decade of fund-raising and a campaign of ceaseless television advertising, has won the Democratic nomination to challenge Senator Alfonse D'Amato, overwhelming Geraldine Ferraro in her second attempt to return to public office in New York state.

Mr. Schumer easily defeated both Ms. Ferraro and the third major candidate, Mark Green, New York City public advocate, in a victory Tuesday that showed strength that crossed geographic, sex and ethnic lines.

Mr. Schumer's performance suggested that he had gone some distance in easing doubts many Democrats once said they had about his viability as a challenger to the Republican, Mr. D'Amato.

The results also signaled an end to one of the most notable political careers of the last 20 years. Ms. Ferraro had characterized her second bid for the Senate as an attempt to gain a nomination that she believed was unfairly denied her in 1992 because of unfounded attacks on her ethics.

She was spared such attacks this time, but nonetheless posted a far worse

showing than she did in 1992, when she lost by just 11,000 votes.

Ms. Ferraro, who came to national attention when she ran for vice president in 1984, promptly declared an end to her career in politics.

"Now, my campaign for United States Senate and for any future elective office ends," she said Tuesday night.

Democratic primary voters chose the New York City Council speaker, Peter Vallone, to challenge Governor George Pataki in a primary that turned out to be far less competitive than expected. Mr. Vallone easily defeated three candidates.

Mr. Schumer's victory came on a day of notably low voter turnout in New York state, reflecting an absence of interest in the contests. The turnout figures were being closely watched by Democratic leaders, concerned that President Bill Clinton's difficulties in Washington could depress interest among party members, and hurt Democratic efforts to defeat Mr. D'Amato and Mr. Pataki.

## ■ Humphrey Wins in Minnesota

Dirk Johnson of the New York Times reported from Minneapolis:

Hubert H. Humphrey III, who bears Minnesota's most revered political name, easily won the Democratic Farm-

er-Labor Party nomination for governor of Minnesota.

Mr. Humphrey, the son and namesake of the late vice president, senator and 1968 presidential nominee, has been the state's attorney general for the last 16 years. He will face the Republican nominee, Mayor Norm Coleman of St. Paul, who switched parties two years ago.

The Democratic also-rans included Ted Mondale, the son of former Vice President Walter Mondale; Mike Freeman, the son of former Governor Orville Freeman, and Mark Dayton, an heir to the Dayton Hudson department store conglomerate.

## ■ Washington Mayor Nominees

The Washington Post reported from Washington:

Anthony Williams, the former chief financial officer in Washington, won the Democratic primary for mayor, drawing votes from every corner of Washington and trouncing three City Council members.

Just three months after a citizens coalition persuaded him to quit his job and make a late entry into the mayor's race, the political novice garnered 50 percent of the vote in a field of seven, with his closest rival, Kevin Chavous, trailing by more than 15 percentage points.

In the Nov. 3 general election, Mr. Williams will face Carol Schwartz, the Republican primary winner, who is making her third bid for the mayor's office.

## ■ Massachusetts Governor Race

In Massachusetts, the Republican governor, Paul Cellucci, defeated Treasurer Joe Malone after a bitter primary campaign. The Associated Press reported.

Scott Harshbarger topped a three-way race that included state Senator Patricia McGovern to win the Democratic gubernatorial nomination.

Republicans settled a bitter Senate primary in Washington state, nominating the conservative U.S. representative, Linda Smith, over a moderate, Chris Bayley. She will challenge Senator Patty Murray.

With 41 percent of precincts reporting, Ms. Murray had more than 215,000 votes compared with 198,000 for the two Republicans combined.

Oklahoma Democrats decided not to make a dead woman their choice for U.S. Senate. Jacqueline Ledgerwood, who died July 15, lost to an air conditioning repairman, Don Carroll, on a Democratic runoff ballot in Oklahoma. Mr. Carroll now faces Senator Don Nickles, considered a shoo-in for re-election.



Peter Morgan/Reuters  
Charles Schumer, who overwhelmed Geraldine Ferraro in the Democratic primary in New York.

## Away From Politics

• Eight-year-old Seth Brown and his 5-year-old brother, Sam, of El Paso, Texas, said they returned the \$23,399 they found in a shopping mall restroom because it was the right thing to do. The construction contractor who had left the bag behind personally thanked the brothers and gave them an undisclosed reward. (AP)

• The New York hospital system and Transit Authority have offered the parents of a Utah man who was slain in a 1990 subway robbery \$300,000 to settle their \$100 million wrongful-death suit, which says the transit agency failed to provide a safe subway. (AP)

• A 9-year-old in Los Angeles was charged with second-degree murder for the stabbing death of his 11-year-old brother during "horseplay." He is possibly the youngest person ever accused of murder in Los Angeles County. (AP)

• In a compromise with preservationists, a New York City committee approved a redesign of the art deco Rockefeller Center that includes an underground viewing area of the skating rink. (AP)

## POLITICAL NOTES

## Clinton Videotape: Pictures at 11

WASHINGTON — If President Bill Clinton's videotaped testimony to the grand jury in the Monica Lewinsky investigation is made public, it could instantly transform television coverage of the case — and present the networks with a dilemma.

"It's an unprecedented side of the story," said Al Ortiz, executive producer of the "CBS Evening News." "It may show a dimension of the president that we heretofore haven't seen."

"It could be a defining moment," said Frank Sesno, CNN's Washington bureau chief. "People will be able to judge for themselves whether Ken Starr went too far in his questions or Bill Clinton misled or evaded too much in the answers he provided. The facial expressions, the words he uses, when he gets angry, that will convey a lot."

But the unprecedented opportunity to broadcast grand jury testimony — while Congress is considering an impeachment inquiry — is fraught with pitfalls for network executives.

"Most likely we'll watch it go by, decide what's newsworthy and play it as air on an urgent basis," Mr. Ortiz said. "I don't think we'd be going with it blindly, in part because of the taste issues that would arise."

Cable news networks, with 24 hours to fill, are most likely to carry significant parts of the testimony, which lasted four hours. "We'll air major portions of it," Mr. Sesno said. But he added that there might need to be some "filtering," depending on the degree to which this gets into a level of explicit detail." (WP)

## Jones Lawyers Want a Tape, Too

LITTLE ROCK, Arkansas — Lawyers for Paula Jones have appealed a judge's order denying her property rights to President Clinton's videotaped deposition in her dismissed sexual harassment case.

The appeal of Judge Susan Webber Wright's order was filed Tuesday. The deposition, taped Jan. 17 at the White House, was sealed by Judge Wright.

Ms. Jones should be free to do "whatever she wishes" with the videotape, said her lawyer, James Fisher. Asked later if Ms. Jones wanted to profit from the tape, he responded: "There are an awful lot of players in this story that have made a lot of money, and Paula Jones is out one of them."

Ms. Jones's team paid for the stenographer at the deposition and for the taping, he said.

Judge Wright dismissed Ms. Jones's lawsuit April 1, saying that the former Arkansas state employee could not support claims that Mr. Clinton propositioned her at a Little Rock hotel in 1991. Ms. Jones's lawyers appealed. (AP)

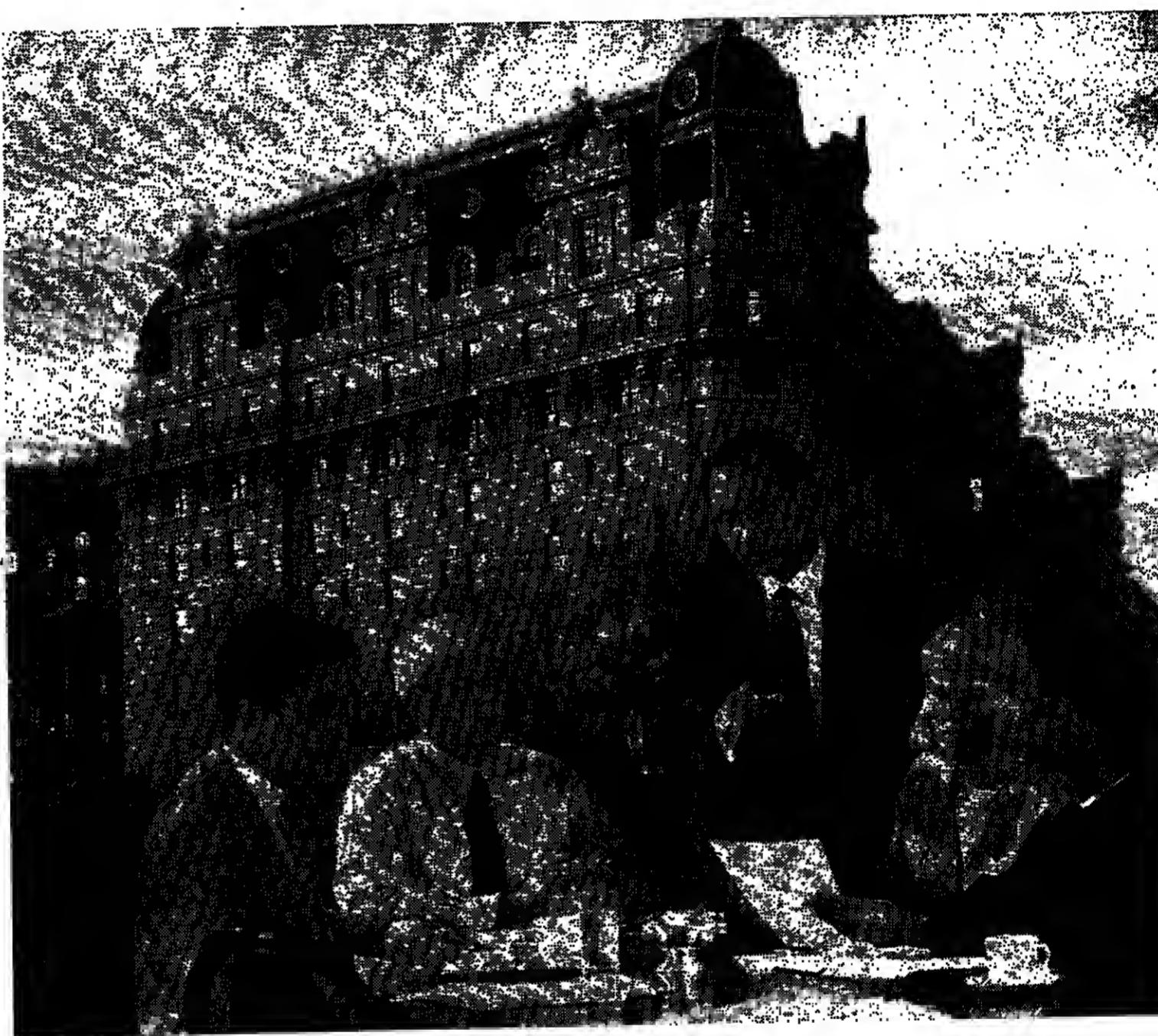
## Mrs. Clinton to Work for Party

WASHINGTON — When Hillary Rodham Clinton met with two dozen Democratic female lawmakers at the White House, she assured them that she would use her popularity to get out the party's message and help Democrats get elected in November.

The House members sought out Mrs. Clinton on Tuesday amid concern that the sex and perjury allegations against President Clinton were obscuring much of his party's agenda with elections seven weeks away.

"There was no discussion of the scandal," said Representative Zoe Lofgren of California. "There was a discussion about how do we get our message across, how do we accomplish this for the American people."

And there was no attempt to comfort Mrs. Clinton. "We wouldn't have patronized her by assuming that she was anything but what she appeared to be, which was ebullient and engaged," said Delegate Eleanor Holmes Norton of the District of Columbia. (WP)



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ASIA PACIFIC  
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MIDDLE EAST  
ABU DHABI  
ADM GHABI  
ALAIN  
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OURAI  
HURGHADA  
JEDDAH  
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## EUROPE

## Berisha Calls On Albanians To 'Overthrow Dictatorship'

Agence France-Presse

TIRANA — About 3,000 supporters of Sali Berisha, the former Albanian president, demonstrated again Wednesday in Tirana, the second day in succession, as Parliament considered stripping him of immunity in reaction to accusations that he was behind a coup attempt.

Mr. Berisha, for his part, seemed unperturbed, calling on his supporters to continue daily protests aimed at "overthrowing the dictatorship" of Prime Minister Fatos Nano.

"Those who have overthrown the dictatorship of Hoxha will overthrow the dictatorship of the terrorists," he said in Tirana, referring to Enver Hoxha, the Communist who ruled over Albania for decades.

"Those who think of the restoration of neo-communism are making a mistake," Mr. Berisha said, adding: "I will never leave my country."

He spoke as his supporters gathered in front of the Democratic Party headquarters, and then joined them for a march through the streets of central Tirana that passed without violence.

Police units were present but kept away from the protesters even though public demonstration had been banned.

Mr. Berisha's wife was also among the marchers who chanted slogans, "Death to Fatos Nano!" "Death to communism!" and "Berisha for president!"

Mr. Berisha is accused by the authorities of stirring up unrest in the capital, which has left eight dead and 80 injured in three days, according to the Interior Ministry.

The rioting followed the murder on Saturday of Azem Hajdari, an opposition deputy and one of the founders of the Democratic Party.

An Interior Ministry spokesman, Arjan Buziga, said Wednesday that all the dead in the disorders were anti-government demonstrators or looters, with a single exception, a barman who was shot by unidentified gunmen in Ndreg, 15 kilometers (10 miles) south of Tirana.

The wounded included five soldiers, two members of the National Guard and four policemen.

An Albanian commission from Parliament, at the request of the state prosecutor, was to meet to decide whether to strip Mr. Berisha of his parliamentary immunity along with four other party officials, Assembly sources said.

Such a move would leave them subject to arrest.

Two-thirds of the deputies were expected to vote in favor of the measure. A Socialist deputy said, however, that an early decision was unlikely.

Later Tuesday, the Albanian cabinet announced it would prosecute Mr. Berisha for leading a conspiracy.



Sali Berisha, the opposition leader, rallying supporters on Wednesday.

### Britain Bars Yugoslav Airline

LONDON — Britain said Wednesday that it would immediately ban all flights by the national Yugoslav airline, JAT.

Britain had previously said it would take 12 months to implement a European Union ban agreed to last week. But Foreign Secretary Robin Cook said Wednesday he had concluded that an immediate ban was necessary, given the "continued repressive activities" of Yugoslav troops in the Serbian province of Kosovo.

Until Wednesday, Britain had said that a 1959 agreement with JAT took precedence over EU law and required London to give Belgrade 12 months' notice. But citing "moral and political grounds," Mr. Cook said Yugoslavia had forfeited the warning period. (Reuters)

### Illegal Immigrants Targeted

BONN — Representatives of the 10 nations in Europe's passport-free zone agreed Wednesday to crack down on illegal immigration through improved cooperation and tighter security measures.

The executive committee of Schengen, the name for the border-free zone encompassing 10 of the 15 European Union countries, approved an action plan designed to tackle security issues at a two-day conference in Bonn.

The action plan includes proposals to intensify controls at external borders, increase checks at air and sea

ports, the immediate deportation of illegal immigrants and the imposition of sanctions on travel companies that bring passengers into the Schengen zone without the correct papers. (Reuters)

### Irish Terrorist Is Freed Early

BELFAST — The first imprisoned member of the Ulster Volunteer Force gained early release Wednesday under the terms of Northern Ireland's peace agreement.

The release of Simon Corry, a member of the Protestant group who had served 5 1/2 years of a 12-year sentence for illegally possessing firearms, means all paramilitary groups who declared cease-fires before the accord have now had members freed early.

Mr. Corry was one of seven inmates released Wednesday from the top-security Maze prison southwest of Belfast.

Authorities began the early releases Friday, and up to 200 prisoners are expected to be let out by the end of the year. (AP)

### France May Cut Judges' Power

PARIS — France's leftist government proposed on Wednesday to strip powerful investigating magistrates of one of their bluntest weapons, the right to put suspects in pretrial detention without charges.

The reform, strongly supported by President Jacques

Chirac, a conservative, would also allow suspects to consult their lawyers as soon as they are taken in for questioning rather than having to wait 20 hours as is now the case.

Critics say French magistrates, whose powers cover those of both a prosecutor and a grand jury, frequently abuse pretrial detention to obtain confessions.

Investigating magistrates have denounced the reform, calling it an attempt to undercut them now that they have begun investigating political and financial scandals more aggressively. (Reuters)

### Wife of Le Pen May Run

PARIS — The wife of the far-right political leader Jean-Marie Le Pen says she will take her husband's place in next year's European Parliament elections if a court upholds a two-year ban on his running for office — punishment for attacking a Socialist politician.

Jany Le Pen, in an interview published Wednesday by the newspaper *Le Parisien*, is quoted as saying she is "not a political woman."

But that her husband would need a "standard-bearer" if barred from running.

A Versailles court has convicted Mr. Le Pen for physically attacking Annette Peulvast-Bergen on May 30, 1997, in the working class town of Mantes-La-Jolie, west of Paris, where she was campaigning for a seat in the French National Assembly. Mr. Le Pen was there lending his daughter, Marie-Caroline, support in her bid for a seat. (AP)

## Brussels Derails Milan Airport Plan

By Barry James  
International Herald Tribune

BRUSSELS — The European Commission on Wednesday derailed Italy's plans to open the newly enlarged Malpensa airport as a major hub for northern Italy, ruling that an attempt to shift foreign carriers to the new facilities was illegal under European

Union law. Nine EU airlines protested Italy's plans to move them from Linate airport on the edge of Milan to Malpensa next month while allowing the state carrier, Alitalia, to continue using Linate to feed its international hub at Leonardo da Vinci International Airport in Rome.

Malpensa is 53 kilometers (33 miles) from Milan, and it would be unfair to force the foreign carriers to move there before adequate road and rail links have been built, the commission said. Under the EU's single market regulations, governments are prohibited from discriminating in favor of national companies.

In upholding their complaint, the commission ruling

gave the airlines a legal basis to defy the Italian decree, commission sources said.

Claudio Burando, the Italian transportation minister, said that by insisting that the European airlines have an equal opportunity to serve their hubs from Linate, the commission would make it impossible for Malpensa to fulfill its role as a regional hub.

half of Bosnia that, after the 1992-95 war, is almost exclusively Serbian and is called Republika Srpska.

It seemed to be working. Since last summer, Western leaders, including Secretary of State Madeleine Albright, visited Mrs. Plavsic.

For her part, Mrs. Plavsic won a majority in the Republika Srpska legislature and was able to gain control over most government ministries, all the time pleasing Western officials with her cooperation on many issues.

Gradually, the hostility between the Serbian half of the country and other half, governed by a Croat-Muslim coalition, lessened.

But the unofficial results of the election now coming out seem to show that Bosnian Serbs are still very fearful of Muslims and Croats, as well as mistrustful of the West.

A Western official in Republika Srpska said he expected most European countries would now begin to scale back or terminate aid projects there.

## Setback for West in Bosnia Election

By Mike O'Connor  
New York Times Service

SARAJEVO, Bosnia-Herzegovina — A key player in U.S. strategy in Bosnia, the Bosnian Serbs' leader, Biljana Plavsic, appears to have been voted out of office in weekend elections, according to officials monitoring the preliminary results.

Mrs. Plavsic, president of the Serb Republic, has most likely been defeated by Nikola Poplasen, the officials say. Mr. Poplasen, the leader of the Serbian Radical Party, is considered an extreme nationalist.

"If Poplasen has won, it means the Bosnian Serbs are telling the West, 'We don't care about you or your money or you quaint ideas about reconciliation with Muslims and Croats,'" said a European diplomat.

He added that the election results, although still unofficial, appeared to be "staggering."

Results for the Bosnian Serbs' leg-

islam indicate that moderates may be able to hold their slight majority.

Officials said major races in the rest of the country were too close to call, except that the Muslim leader, Alija Izetbegovic, was certain to be returned to the three-person presidency.

The Western strategy of isolating nationalists and supporting moderate politicians was taken the furthest with Mrs. Plavsic.

Western leaders praised her extravagantly for more than a year and her part of Bosnia was plucked from economic chaos by Western aid in order to generate public support for her.

Mrs. Plavsic was identified early last year by American diplomats as a Bosnian Serb leader with nationalist credentials who could be persuaded that if she acted more moderately she and her people would benefit from Western aid and acceptance.

The gambit was to strengthen her and use her to break the control that hardcore nationalist politicians had over the

half of Bosnia that, after the 1992-95 war, is almost exclusively Serbian and is called Republika Srpska.

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## No Plan on Kosovo as Winter Nears

By Philip Shonan  
New York Times Service

WASHINGTON — As evidence mounts that a "human catastrophe" is developing from the warfare in Kosovo, the United States is still far from a decision over the use of military force to end a Serbian offensive that has forced

hundreds of thousands of people to flee, Clinton officials say.

The crisis in the province, whose ethnic Albanian majority is seeking independence, is likely to pose a test of President Bill Clinton's resolve and ability to take decisive action in foreign policy in the wake of the Monica

Lewinsky scandal.

"The situation is awful and getting worse," said one official, speaking on condition of anonymity.

"If we don't want thousands of people to starve to death this winter, the White House will need to make a decision very quickly on whether to use firepower."

Charity groups say the situation is growing more desperate by the hour, with nearly continuous Serbian shelling of ethnic Albanian villages.

More than 900 people have been reported killed in the conflict this year, most of them Kosovo Albanian guerrillas and civilians.

Former Senator Bob Dole, the 1996 Republican nominee for president, described a "human catastrophe" in the making" after a recent visit to Kosovo.

"I saw them up close and in person: women and children, the elderly living in fear without adequate food and shelter," he said. "These hungry masses will within weeks face winter and the freezing conditions that come with it."

Some Washington officials say they are pressing the White House to make a direct warning to Slobodan Milosevic, the president of Yugoslavia, which links Serbia and Montenegro, that the United States will use military force against Serbian targets if the onslaught is not halted.

Most likely, it is said, the attack would be carried out by cruise missiles.

Similar strikes in 1995 were credited with helping end three years of civil war in neighboring Bosnia, forcing the combatants to the peace table.

Other Clinton aides are more cautious, fearing that military force by the United States and its reluctant NATO partners might only embolden Serbian forces into a more violent campaign.

At a meeting Tuesday with reporters in Washington, General John Jumper, commander of U.S. air forces in Europe, said the situation in Kosovo was in some ways more complex than the situation three years ago in Bosnia, and that air strikes in Kosovo might not have the same effect.

"The air campaign can be done," he said. "The air campaign is just like before. It's one that is easy to put together, and it's not difficult to execute."

But he added: "The solutions that we saw work better are not necessarily the solutions that the leadership thinks will work in this case."

Administration officials say they fear that air strikes might encourage the Kosovo Liberation Army, the name taken by the diverse groups of rebel movements seeking independence.

This is not a goal supported by the United States and its allies.

"We don't want to be the Kosovo's air force," said a senior U.S. official. "It's not the same dynamic as in Bosnia, because we don't recognize Kosovo's independence. We recognize the Kosovo region as an important part of Serbia."

Administration officials involved in policy-making in the Balkans say they are working against a deadline of mid-October in deciding what to do. That's when winter sets in among the mountains.

### Envoy Briefs NATO

The U.S. special peace envoy for Kosovo, Christopher Hill, was briefing the Western allies at NATO headquarters on Wednesday, Reuters reported from Brussels. Strobe Talbott, deputy secretary of state, was at the session of the North Atlantic Council.

The French government disclosed that Foreign Minister Hubert Vedrine conferred by telephone with his British counterpart, Robin Cook, on a resolution to be submitted to the UN Security Council.

On 1st January, 1999 the EURO will be adopted as legal tender of the initial members of the European Monetary Union (EMU). Therefore, the board of directors of Fidelity Funds has decided the following changes to the above funds:

#### Fidelity Funds - European Balanced Fund (DM)

1. The name of Fidelity Funds - European Balanced Fund will be changed into Fidelity Funds - Euro Balanced Fund on 18th September, 1998.

2. The investment objective of the balanced funds in general and of Fidelity Funds - Euro Balanced Fund in particular have been restated as follows:

Balanced funds are the most conservative form of growth investment and invest in a diversified portfolio of equities, bonds and ancillary cash. Balanced funds aim to:

- achieve long-term growth of both capital and income.

The Euro Balanced Fund invests primarily in equities and bonds issued in those countries which are members of the European Monetary Union (EMU) and primarily denominated in Euro or in the national currency of an EMU country. Initially, this will be the eleven member countries but if other countries join the EMU in the future then investments in these countries may also be considered for inclusion in the fund.

#### Fidelity Funds - European Bond Fund (ECU)

1. The name of Fidelity Funds - European Bond Fund will be changed into Fidelity Funds - Euro Bond Fund on 19th October 1998.

2. The investment objective will be amended as follows:

Fidelity Funds - Euro Bond Fund (ECU) invests primarily in bonds issued in those countries which are members of the EMU and primarily denominated in Euro or in the national currency of an EMU country. Initially, this will be the eleven member countries but if other countries join the EMU in the future then investments in these countries may also be considered for inclusion in the fund.

#### Fidelity Funds - Fidelity Gestio Dynamique (FRF)

The investment objective will be amended so as to reflect that the aim of Fidelity Gestio Dynamique is to provide long-term capital growth primarily through investment in equities. The fund will suit those investors who are looking for the longer term rewards of equity investment and are prepared to accept the higher risk associated with this type of investment.

#### Fidelity Funds - Fidelity Gestio Equilibre (FRF)

The investment objective will be amended so as to reflect that the aim of Fidelity Gestio Equilibre Fund is managed with a more conservative approach towards providing capital growth primarily through investment in a combination of equities and bonds. This fund will appeal to investors seeking capital growth but who would prefer a lower level of risk than that normally associated with equity investment only.

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## THE AMERICAS

## How Smart Are the White House Lawyers? The Jury Is Still Out

By Ruth Marcus  
Washington Post Service

WASHINGTON — The last four years have cost President Bill Clinton more than \$5 million in legal bills. The House is about to launch impeachment proceedings against him. The independent counsel, Kenneth Starr, has not ruled out the notion of a criminal prosecution.

And Mr. Clinton's lawyers — who fanned out on a four-network offensive during the Sunday television talk shows — have themselves become the focus of attack from furious congressional Democrats who are demanding an end to legal "hairsplitting."

All of which raises the question: How much of the blame for their client's predicament rests with the president's lawyers — in particular, his chief outside counsel, David Kendall?

Mr. Kendall is the leading proponent of the "give-no-inch" Clinton's testimony was "legally accurate" approach that has provoked so much anger since the Starr report was made public last week.

A former White House special counsel, Jane Sherburne, said the president's predicament reflected Mr. Kendall's criminal-lawyer approach. "David is representing the personal interests of Bill Clinton, and those interests are different than the interests of the president of the United States or of the country," she said. "He's always needed a political person who can help temper his defensive instincts."

Second-guessing the strategic choices made by attorneys and their clients behind closed doors is a popular sport among Washington criminal defense lawyers, and some of the city's leading practitioners are busily engaged in that activity.

They fault Mr. Kendall for not having his client come forward with the truth earlier, for letting him testify before the grand jury, for allowing him to dig himself into even deeper legal trouble with his grand jury answers, for inflaming Mr. Starr with repeated attacks and for pursuing a legalistic argument — that receiving oral sex did not constitute a sexual relationship — that found new takers.

Although there has been tension between Mr.

Clinton's legal and political teams, one of the president's political advisers came to Mr. Kendall's defense.

"David Kendall's the best I've ever seen," said the adviser, James Carville. "I think he's done a hell of a job. You have a bunch of K Street jerks second-guessing someone they don't know very much about and they have the added benefit of knowing that Mr. Kendall will never reveal what he knows."

Although Mr. Clinton faces the threat of criminal prosecution, his larger and more immediate problem is the looming impeachment proceedings, and Mr. Kendall's approach may have inflamed rather than calmed lawmakers, several lawyers said.

"It's this parsing that is like fingernails on a chalkboard — don't do it," Ms. Sherburne said. "I don't understand a legal strategy that doesn't appreciate that."

Even if Mr. Clinton would expose himself to some risk by dropping his legalistic approach, one lawyer said, "At some point, the lawyer has to help the guy look at the bigger picture, and

Clinton's bigger picture is that he needs to save himself politically before he can save himself from the threat of prosecution."

At the same time, lawyers said, the continuing assault on Mr. Starr's office may not help the president's legal position.

"What the hell do you gain by attacking those people?" asked a defense lawyer involved in the Lewinsky investigation. "They're the ones who've got the power."

Indeed, just about the only one not participating in the second-guessing was Mr. Kendall himself. "Thank you for calling, but there's really nothing I can say," he said.

Some cautioned against assigning fault to the lawyers. They noted that it was impossible to know whether Mr. Clinton had heeded their advice and, in fact, on one of the main areas of criticism — allowing Mr. Clinton to go to the grand jury — sources familiar with the decision said Mr. Kendall strenuously argued against taking that risk, only to be overruled by his client. The sources said that legal advice could only be as good as the information on which it is based

and that it was clear the president had been misleading and dishonest with his lawyers as well as with other aides.

And they said that the president was a uniquely difficult client to advise, particularly as he tries to navigate the narrow path between avoiding criminal prosecution and convincing Congress not to remove him.

"Whenever something goes wrong, it's a lot easier to blame the lawyers," said Lawrence Barcella, a Washington lawyer.

"And sometimes good lawyers will take the blame even where blame is not warranted," he added. "One of the things you can do for a client is fall on your sword."

A New York lawyer, Bruce Yannett, added: "It's very easy to Monday-morning quarterback. It may well be that if Congress decides not to impeach the president and he's never criminally prosecuted, that the strategy is brilliant, and the fact that some members of Congress are being critical is meaningless if, at the end of the day, the president navigates his way through the dilemma he's facing."

## Censure but Don't Impeach, Poll Says

## Americans Perceive Clinton as Morally Weak but Effective in Job

By Richard L. Berke  
and Janet Elder  
New York Times Service

NEW YORK — Public opinion of President Bill Clinton's moral character has sunk to the lowest level of his presidency, but most Americans say they still believe that he is a vigorous leader who should not be impeached or forced to resign, the latest New York Times/CBS News Poll shows.

Slowly but steadily, public perception of Mr. Clinton's personal image has slipped since January, when Americans first learned of his relationship with a former White House intern. Over time, the cumulative shift has been sharp.

In itself, the report released last week by Kenneth Starr, the Whitewater independent counsel, seemed to have little additional impact on these attitudes. Americans said that they dislike Mr. Starr and suspect his motives. While only one in 20 respondents said they had read the full report and about half had read part of it, most people said the graphic sexual details were unnecessary salacious and intended to embarrass the president.

And despite the glare of publicity about his affair, Mr. Clinton's job approval rating stands at 62 percent, which is impressive by any reckoning.

Still, by several measures, the survey showed that most people now see Mr. Clinton as bereft of the code of ethics that they try to live by.

Sixty-six percent of Americans said Mr. Clinton did not share their moral values, while 29 percent said he did.

In January the public was divided on Mr. Clinton's morality, and after his re-election two years ago, a majority perceived Mr. Clinton as someone who did share their ethical standards. And for the first time since Democrats lost the House in 1994 — and only the second time in Mr. Clinton's six years in office — more Americans viewed the president unfavorably than favorably.

While people say they want to put the scandal behind them, they also want Mr. Clinton to be reprimanded for his conduct — but not impeached or forced to resign. Fifty-seven percent of those polled said Congress should vote to censure the president; 33 percent were opposed to censure.

More than six of 10 Americans said they thought the best thing for the country was for Mr. Clinton to finish his term. In answer to another question, 38 percent said it was not necessary for Congress to hold impeachment hearings at all.

The public's view of Mr. Clinton as a person has diminished about equally among all groups, rich and poor, urban and rural, young and old, male and female.

For example, the perception that Mr. Clinton shares the moral values of most Americans has dropped by 10 percentage points among men and by 14 percentage points among women — not much of a gap.

The poll of 1,813 adults, conducted

nationwide Saturday through Monday, also found that the public blamed Mr. Clinton and not his enemies for the crisis, a change from a few months ago.

Fifty-four percent blamed Mr. Clinton and 36 percent blamed his enemies — figures that have roughly reversed since February. More and more, people have come to believe that Mr. Clinton probably did encourage Monica Lewinsky to lie under oath.

In the latest survey, 46 percent said he did encourage her to lie, 18 percent said he did not and 32 percent said they did not know. When respondents were pressed, the numbers were even more stark: 61 percent said Mr. Clinton encouraged Ms. Lewinsky to lie. The poll has a margin of sampling error of plus or minus 2 percentage points.

Yet, even against these harsh judgments, Mr. Clinton is protected by an important bulwark that has confounded the pundits — as well as Republican detractors — since the scandal broke: The measure of Clinton not as a man but as a president continues to be strikingly strong. He is seen as an effective leader by 66 percent of those polled.

And Mr. Clinton's job approval rating stands at 62 percent. Earlier this month it was 60 percent, and last month, immediately after he told the nation he had had an inappropriate relationship with Ms. Lewinsky, it was 65 percent.

When the scandal broke in January, Mr. Clinton's job approval rating was 56 percent.



Three versions of the Starr report to Congress, employing prominent display at a Washington bookstore.

## OPTIONS: None Works Yet

Continued from Page 1

as ludicrous, "hair-splitting" techniques.

"The key thing," a cabinet member said recently, "is to keep the first gavel from falling over a period of weeks."

He suggested that a long, drawn-out fight, which he said would paralyze the government for months, might be avoided by following the precedent set in the reprimand issued to Newt Gingrich, the House speaker, after a 1997 ethics investigation.

Mr. Cutler called the parallels between the cases "close and recent," but others disagree, and more might do so if perjury is demonstrated.

The Senate majority leader,

Treat Lott,

Republican of Mississippi, has said that he opposes a reprimand or censure, at least for now, and other important members of Congress, speaking on grounds of anonymity, said they doubted whether that would be sufficient punishment.

What about censure plus a financial penalty? A former attorney general suggested to a group of associates this week that perhaps Mr. Clinton could be forced to pay for the cost of the long inquiry by the independent counsel Kenneth Starr as Representative Gingrich was obliged to pay for the House investigation of his actions.

"He's not only an officer

of the court as a lawyer, he's the nation's chief law enforcement officer, and you can't let a man in that position lie with impunity to a grand jury. If he can do it, why can't the little guy do it?"

On this narrower but potentially decisive issue, the American people seem much closer to Washington. Notwithstanding their approval of Mr. Clinton's performance as president, notwithstanding the president's notwithstanding the preference for dropping the whole matter, they take a harsh view of lying under oath.

But most of them, elders

all, said that would be either insufficient or inappropriate or both.

Whatever the censure formula, it is hard to believe that it could be sold soon to a Congress already deeply divided along partisan lines. At a minimum, it appears likely that the House will insist on authorizing a preliminary inquiry by the independent counsel Kenneth Starr as Representative Gingrich before impeachment before Congress takes a break for elections in November.

Few House members of either party would be eager, as things now stand, to go on the record with the election imminent as opposing a careful examination of Mr. Starr's charges and the White House's reply.

"Why are we doing it bit by bit?" asked Representative Robert Wexler, Democrat of Florida. The Republicans' intention, he said, was to see Mr. Clinton "bleed a little bit on Thursday, bleed a little bit on Saturday, bleed a little bit on Monday."

At the same time, prospects for what some Democrats call a "third option" — a vote of censure, rather than impeachment or resignation — appear to have dwindled.

The committee is expected

to hold meetings as early as

next month on whether to open an impeachment inquiry.

Representative James

Rogers, Republican of California, said

Democrats said they would vote unanimously against release.

Representative James

M. McDermott, Democrat of Washington, said Wednesday that his party would vote unanimously against release of the tape. He accused Republicans of "overreaching," adding, "They are simply not giving the president fair treatment."

"The American people are tired of having their news and information filtered," he said.

Democratic members of the committee continued to complain about Republican intentions to make evidence public in a piecemeal fashion.

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## Sumatra Mobs Burn Homes And Shops of Ethnic Chinese

The Associated Press

JAKARTA — Rioting mobs burned hundreds of shops and houses owned by ethnic Chinese merchants in a fishing town on Sumatra in new rioting provoked by Indonesia's economic crisis.

Thousands of people took part in the rampage that began Tuesday evening and ended early Wednesday in Baganziapiapi, about 700 miles (1,100 kilometers) northwest of the capital, Jakarta, the police said.

Some of the rioters ignited plastic bags filled with gasoline and hurled them onto the roofs of buildings, setting ablaze two hotels and about 300 houses and shops, according to police and the official Antara press agency. There were no reports of injuries.

Residents said the mobs gathered in the streets amid rumors that a local man had been killed in a fight with an ethnic Chinese man, Antara reported.

Ethnic Chinese make up only a small fraction of Indonesia's population and have been targeted in riots as scapegoats for Indonesia's economic problems, the worst in 30 years.

A police officer in a neighboring town said hundreds of soldiers and police were deployed from nearby towns to quell the violence. He said dozens of people were arrested.

In Jakarta, meanwhile, security forces Wednesday blocked about 200 protesters — students, workers and opposition supporters — who tried to march to the office of the military commander in central Jakarta.

The group was protesting the military's involvement in the abduction of anti-government activists up until the May resignation of former President Suharto.

In another development Wednesday, news reports said the billionaire second son of the former president had been banned from leaving Indonesia as investigators prepared to question him over the collapse of a bank partly owned by him.

Justice Minister Muliadi was quoted by local newspapers as saying that Bam-bang Trihamojo and other commissioners of the failed Bank Andromeda had been prohibited from traveling overseas while the investigation continued.

Mr. Bam-bang was to have been interrogated Wednesday, but the police postponed the questioning because they were still focusing their investigation on two other directors of the bank.

Separately, Indonesia's attorney general said he and the national police chief would be part of a three-member team that would soon question Mr. Suharto about claims that he corruptly amassed a fortune during his 32 years in power and stashed millions of dollars abroad.

President B. J. Habibie has ordered that Mr. Suharto be questioned over allegations that he, his family and associates illegally enriched themselves.



Lee Kuan Yew speaking at a news conference in Singapore during the launching of his memoirs.

## Lee Kuan Yew's Controversial Memoirs

### Singapore's Senior Minister Angers Malaysians With First of 2 Volumes

By Michael Richardson  
*International Herald Tribune*

SINGAPORE — Lee Kuan Yew, Singapore's senior minister, marked his 75th birthday on Wednesday with the launch of memoirs that have caused fresh tension in relations with Malaysia even before they appeared on sale in bookstores.

The most politically sensitive part of his book, the first of two planned volumes, deals with events surrounding Singapore's stormy and ultimately abortive merger in the Malaysian federation from 1963 to 1965.

Mr. Lee accuses Malaysia's dominant party — the United Malays National Organization, known by its initials as UMNO — of instigating bloody riots between ethnic Chinese and Malays in Singapore in 1964 as he worked to strengthen an opposition movement in Malaysia that aimed to end Malay dominance of politics by creating a multiracial party of Malays, Chinese, Indians and other groups.

"Resisting Malay hegemony," he wrote, was "the root cause of our dispute."

Malaysian politicians have already voiced strong objections to the book, complaining of its "insecurities" approach and the timing of its release during a period of economic and political turmoil in Malaysia.

After excerpts on the merger period were published in the Singapore press on Sunday, Prime Minister Mahathir bin Mohamad, who heads UMNO, said that Mr. Lee was publishing his memoirs now to exploit Malaysia's difficulties.

Singapore has prospered by "taking advantage of the weaknesses of its neighbor."

Mr. Anwar said he planned to continue his nationwide tour Thursday, ignoring threats. Wednesday by the national police chief to arrest more of his associates and press charges against him if he continues holding rallies without police permission.

Chancellor Helmut Kohl of Germany wrote, for example, that Mr. Lee's "resoluteness, energy and vision have left a deep impression on Singapore, making it a political and economic powerhouse whose influence extends far beyond its

own region." But analysts said Wednesday that by underlining the deep differences between Singapore and Malaysia, Mr. Lee's memoirs were likely to prolong divisions rather than bridge them.

Mr. Lee said Tuesday that unlike Singapore, Malaysia was organized along racial lines, with the United Malays National Organization in control of the Malay political constituency while other parties were not allowed to encroach on that base.

"It's a faint line that is not being closed," he added.

He insisted Tuesday that his account of UMNO involvement in the 1964 race riots in Singapore and the subsequent eviction of the island-state from Malaysia was confirmed by reports quoted in the book from U.S., British, Australian and New Zealand diplomats who were stationed in the region at the time.

But Hishammuddin Hussein, deputy chief of the party's youth wing and son of a former Malaysian prime minister, said that Mr. Lee's book was selective in its use of sources, deeply biased and a work of self-aggrandizement.

"At this juncture, it is crucial for both countries to turn aside from history and look to the future" by "stressing our mutual strengths and our underlying similarities," Mr. Hishammuddin added.

His memoirs have drawn praise from a number of prominent international political leaders, past and present, who have written comments for the book. Most are from Western countries.

Chancellor Helmut Kohl of Germany wrote, for example, that Mr. Lee's "resoluteness, energy and vision have left a deep impression on Singapore, making it a political and economic powerhouse whose influence extends far beyond its

### BRIEFLY

#### Rival to Mahathir Seeks to Turn Tables

KUALA LUMPUR — Anwar Ibrahim, the dismissed deputy prime minister of Malaysia, said Wednesday that Prime Minister Mahathir bin Mohamad should be investigated for corruption.

Mr. Anwar, who was dismissed from jobs as deputy prime minister and finance minister Sept. 2, was speaking at a rally where he was surrounded by former foes from the opposition Democratic Action Party. He denied allegations against him of treason, abuse of power and sexual misconduct, saying his only wrongdoing was "being a viable alternative to Dr. Mahathir."

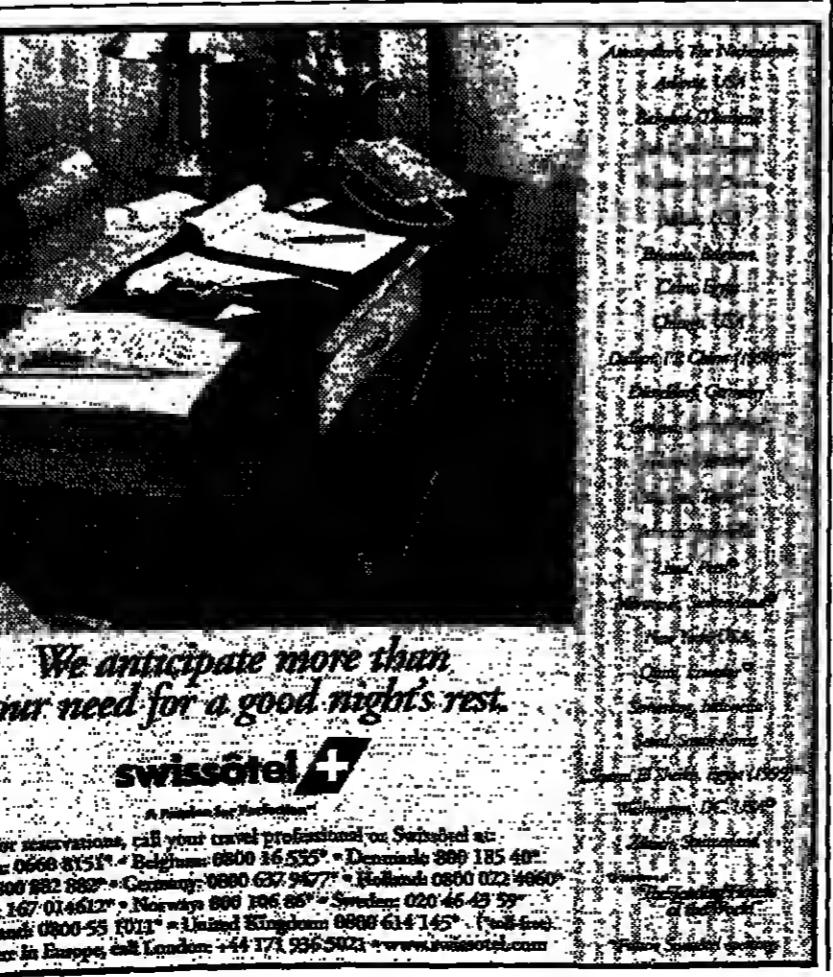
"If you want to accuse me of corruption, then you should first investigate the other ministers, starting with Dr. Mahathir," Mr. Anwar said, in a challenge to his former mentor. "You have chosen the wrong guy to pick a fight with."

Mr. Anwar said he planned to continue his nationwide tour Thursday, ignoring threats. Wednesday by the national police chief to arrest more of his associates and press charges against him if he continues holding rallies without police permission.

RANGOON — Daw Aung San Suu Kyi and nine members of her opposition party have formed a committee representing the arrested lawmakers of an outlawed Burmese Parliament, the party said Wednesday.

The move appeared to be an attempt to hold a session of the 459-member Parliament that was elected in 1990 but never was allowed to convene. Daw Aung San Suu Kyi's National League for Democracy won 82 percent of the seats, but the military has refused to recognize the result of that election and has warned the party leadership that attempting to convene the Parliament is illegal.

A party leader contacted by telephone would not comment on whether that was the intention of the 10 members. To prevent the party from convening the assembly, the military has arrested 783 opposition members, including 194 elected representatives.



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## Tests Were Exaggerated By India and Pakistan

### Seismic Data Undercut Number and Size

By Robert Lee Hotz  
*Los Angeles Times Service*

LOS ANGELES — India and Pakistan exaggerated the number and size of the nuclear weapons that each nation detonated earlier this year, overstating the power of the bombs by a factor of four, according to the first independent scientific accounting of the tests.

Two of the five nuclear explosions announced by the Indian government may never have taken place, the analysis concluded in a study made public on Wednesday.

Only two in the series of nuclear tests that the Pakistan government announced actually involved real nuclear explosions, according to the study. At different times Pakistani officials have claimed that up to seven devices were tested.

"This is quite clearly a case where governments tested for a political reason rather than scientific reasons, so we have to be suspicious of what they say," said Terry Wallace, an authority at the University of Arizona on the use of seismology to analyze nuclear explosions.

His research, published in Wednesday's issue of *Seismological Research Letters*, is based on a study of the seismic shockwaves released by the nuclear explosions.

He concludes that both governments misled each other — and the international community — about the nuclear tests conducted last spring.

"Seismology provided a microscope into what happened, and we were able to learn a lot about these explosions," Mr. Wallace said.

"It has given us a reality check on government pronouncements and countermeasures."

India's Foreign Office declined to comment on the report, and Pakistan's Foreign Ministry could not be immediately reached for comment. The Associated Press reported.]

In Washington, the independent seismic research was viewed as corroborating evidence by Clinton administration officials who have harbored doubts for some time about the scope of the nuclear tests conducted by India and Pakistan.

"We were suspicious from the beginning about the claims by both countries," said one State Department official.

But in the administration's view, the fact that the Indians and Pakistanis apparently exaggerated their tests does not lessen the need for the United States to respond to a regional arms race with

global implications.

"We won't argue with experts like these about the number of tests," the State Department official said. "What is important to us is that there were tests by both sides." That's the issue we're trying to deal with."

The administration had already expressed skepticism about the Indian and Pakistani claims. Asked by a member of Congress how many nuclear devices had been tested, Assistant Secretary of State Rick Inderfurth testified on June 3:

"Less than they said. The precise numbers are still being looked at."

Experts at Los Alamos National Laboratory, Princeton University and the Incorporated Research Institutions for Seismology, a consortium of 90 research universities that operate a global network of 100 seismic monitoring stations, endorsed the new study's conclusions about the nuclear blasts in India and Pakistan.

#### ■ Pakistan 'Won't Be Pressured'

Pakistan's foreign minister, Sartaj Aziz, said Wednesday that his country would not sign the Comprehensive Test Ban Treaty while under economic sanctions for conducting nuclear weapons tests in May. Reuters reported from Islamabad.

Speaking to Parliament, Mr. Aziz said the economic sanctions were "unwarranted and unjustified," and he demanded that they be lifted immediately.

"No decision will be taken under pressure," he said. "No decision will be taken in haste."

In private briefings to the governing party and opposition politicians this week, the government indicated that it had been offered a multibillion-dollar loan package, a lifting of sanctions and resumption of sales of conventional weapons by the United States, apparently in return for signing the treaty. There has been no official confirmation of the offer.

#### ■ India Wants Technology

India's prime minister said Wednesday that in exchange for signing a nuclear test ban treaty, India wanted the nuclear-energy technology that it has been denied because the material also has military uses, The Associated Press reported from Madras, India.

Atul Bihari Vajpayee's comments to reporters confirmed speculation that ongoing talks about the treaty with American officials involve opening the flow of nuclear technology to India.

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## OPINION/LETTERS

## Clinton's Worst Sin Is Perverting Language

By Maureen Dowd

WASHINGTON — The quintessential Bill Clinton moment can be found in footnote No. 109 of the Starr report.

The president was asked before the Starr grand jury about Robert Bennett's assertion during the deposition for the Paula Jones case that "there is absolutely no sex of any kind" between the president and Monica Lewinsky. His defender in the case was right, Mr. Clinton said, because he was using the present tense. "It depends on what the meaning of the word 'is,'" the president explained helpfully.

The same footnote offers three other Clintonian gems before the grand jury: "I have

not had sex with her as I defined it." "It depends on how you define alone." And, "There were a lot of times when we were alone, but I never really thought we were."

His double-talk had a contagious effect on Betty Currie. "I don't want the impression of sneaking," the president's secretary said about Ms. Lewinsky, "but it's just that I brought her in without anyone seeing her."

Mr. Clinton's greatest sin is not sex or dissembling about sex, as the heavy-breathing Kenneth Starr believes. His greatest sin is swindling and perverting the American language. He is like the cursed girl in the fairy

tale: Every time he opens his mouth, a toad jumps out.

His problems stem from his instinct when he runs into trouble to shroud rather than illuminate. He tries to make words subjective, insisting they mean only what he wants them to. Just as he made the Democratic Party about himself, and the Democratic Convention about himself, he tries to make the language about himself.

But he can't. Laws are composed of words. The president is in charge of the laws. When he drains meaning from words, he jeopardizes his ability to govern. He has made Washington Orwellian. His corrupt language corrupts thought.

In order to escape the noose, he is admitting and denying at the same time, and forcing his lawyers and aides to go out and behave like crazy contortionists. Even Democrats are ashamed of the chameleon-headed "hairsplitting," as Tom Daschle, the Senate minority leader, calls it.

The president admits trying to mislead Paula Jones' lawyers, but denies lying under oath. He admits Ms. Lewinsky had sex with him, but denies he had sex with her. He denies that oral sex (the second word of which is sexist sex). The president, says his lawyer, David Kendall, committed "interpretations of contorted definitions," not perjury.

Once I went to Elizabeth Arden and they tried to sell me some soap. I told them that

soap dried out my skin. "But," said the saleswoman, "this is the soap that isn't a soap." I bought it. It dried out my skin.

A friend of mine once picked up a purse at a counter in Saks and observed that it felt like plastic. "No," the saleswoman told her, "it's Plastic." The Clinton world is full of soap that isn't soap and plastic that isn't plastic.

"The great enemy of clear language is insincerity," George Orwell wrote in a famous essay on politics and language.

Mr. Clinton's supporters are upset that he did not give his groveling prayer-breakfast speech 25 days earlier, on the night he made his defiant television address. But the penitent and angry television address was the anti-climactic Clinton moment. The repentant and lip-licking prayer-breakfast speech was the contrived Clinton moment.

I don't think he should be pushed from office. For his transgressions, he should have to perform 28 months of community service.

He can join his National Service Corp. Let him put aside his risky and challenging sex life and take on a risky and challenging public life. Let him cash in on his popularity and do something wonderful for the country in return for all the slop he has put us through.

As Rheta Butler said, "If you have enough courage you don't need a reputation."

But if he wants to move past "the adversity of the moment," as he so delicately calls it, he must stop ducking and find a way to reconnect words and meaning. If he can't, he will be in big trouble. Depending on what you mean by the word "be."

The New York Times

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## Starr's Report: Some Readings From Abroad

Having watched from abroad with mounting alarm as the Lewinsky scandal spirals out of control, I fear that the functioning of the American political system will be seriously undermined if the U.S. Congress pursues the president's impeachment on the basis of the independent counsel's unconscionably slacious and partisan report.

President Bill Clinton, even so damaged, must not be removed from office. Greater principles are at stake. Presidents are elected and barring the most serious offenses against the nation — crimes of the rank of treason or grave abuses of power — they serve their full terms.

Mr. Clinton deserves censure for his action, but so does Kenneth Starr, who has abused the powers entrusted him. Congress should unanimously censure both. Then Mr. Clinton can limp through his broken term and Mr. Starr can promote his book. Afterward, we Americans must consider how we have allowed such

an extraordinary attempt to subvert our most basic national principles.

ANDREW ZEGA  
Paris.

The only ones to have shown common sense and restraint in the Monica Lewinsky affair are Hillary Clinton and the American people. In the end, fortunately, they are the only ones who count.

HENRY BLUMENFELD  
Gif-sur-Yvette, France.

Is there a law entitling the government of the United States to create and promote porno sites? Are there no rights to privacy whatsoever for public officials or interns regarding the most intimate details of their sexual encounters when they are in question as to material relevance of alleged criminal offenses? Is there any possibility now for the potential defendant in this case to receive a fair trial?

As an American who has been dis-

gusted for months with legalized voyeurism sponsored by the government at the cost of millions of dollars, I am now livid with rage.

President Clinton may not be able to do much but fight the battle politically. But I believe Ms. Lewinsky should be entitled to sue the government for millions, and I hope she does. Wasn't she informed that she was giving secret testimony? Or did she go before the grand jury and tell every detail for the purpose of exposing her sex life internationally to millions of people?

eva adams  
Berlin.

Those given to vimperation and hatred know well that their castigation of President Clinton is not proportionate to his misdeed. The defect in the president's name did not prevent him from serving his country well. He is still a compassionate man, sensitive to the needs of the American people and dedicated to making their lives better. We

Americans need to be aware that we are in this rabid process doing inestimable damage to our country.

JULES DASSIN  
Athens.

Reporters and pundits refer to Mr. Starr's charges as allegations, but then they go on to discuss the content of the report as though it is factual. What has happened to objectivity?

CATHARINE PUREY  
London.

A system running amok. That is the image America is presenting to the world. America's talent for self-destruction is unbelievable. What a pity!

PIERRE M. MARTIN  
Toulouse, France.

Lawmakers should take a deep breath while reading the Starr report, keeping in mind that Mr. Starr is likely to be remembered as the McCarthy of the '90s.

KAREN KENADY  
Ponfrevoy, France.

If, as David Maraniss very convinc-

ingly suggests, Mr. Clinton is not conscious of lying when he does ("A History of Adjusting to Predicaments," Sept. 14), then he is not fit to hold his present responsibilities. He does not deserve to be in the White House.

MICHELINE COURTY  
Paris.

The spectacle of my fellow Americans rushing into a peeing-tom act of historic proportions — sponsored by an officially appointed investigator and a majority in the U.S. Congress — aroused a deep sense of shame for my country. One can only hope that a complete list of the names of those legislators who signed off on this act will be made public.

JOE WILLIAMS  
Düsseldorf.

Americans elected the president in part for his fighting spirit. It is time for him to go on the offensive.

P. MANASSE  
Monte Carlo.

It looks a bit like a wild-west lynching but it is a double feature: the lynching of Bill Clinton and of the presidency, with the Republican posse panting after the chase, guns drawn, waiting for the kill.

RICHARD FREMANTLE  
Florence.

Mr. Starr has taken great pains to indicate the grave consequences that would befall Ms. Lewinsky if the government could prove she were lying. But both she and he are fully aware that while her testimony cannot be refuted, neither can any of it be substantiated.

REYNOLD RIMMER  
Paris.

Despite his questionable credibility, Mr. Clinton was elected president twice in free and fair elections. Voters may have thought their choices were limited, but just wait until 2000. The sanity of any man or woman seeking the presidency will be brought into serious question.

KENDAL SHABER  
Singapore.

## BOOKS

## THE LAST KABBALIST OF LISBON

By Richard Zimler. Illustrated. 318 pages. \$24.95. Overlook Press.

Reviewed by Richard Bernstein

WHAT lives for centuries but can still die before its own birth? The answer to that cabalist riddle — or at least what Richard Zimler presents as a cabalist riddle in his intriguing mystery of 16th-century Lisbon — will not be disclosed here, but you can find out in "The Last Kabbalist of Lisbon" (as Zimler spells the term for Jewish mysticism).

My prediction is that you won't regret spending a few hours with this book. I'm not sure how deep your understanding of cabala will become, but you will find yourself drawn into a moody, tightly constructed historical thriller that is both entertaining and instructive.

Zimler, an American writer who has lived in Portugal since 1990, has invented a manuscript that he explains in a preface, was discovered a few years ago in Istanbul inside a *tik*, a small cylindrical chest traditionally used by Sephardic Jews to house the Torah. The first five books of the Old Testament inside this *tik* was not a Torah but a cache of manuscripts by one Berekiah Zanco, all written with the sort of red pen used in 16th-century Iberia. Seven of the volumes are treatises on cabala, but three, written in the form of an early picaresque novel, tell the story of the murder of Berekiah's revered uncle, a great cabalist scholar from Lisbon named Abraham.

Zimler's description of this discovery is clever enough to seem real rather than part of a fictional conceit. He is not persuasive on every page, however, as he tries to create the impression of an authentic early Renaissance document written from inside the chiaroscuro world of hidden Jewry in the years of the Portuguese Inquisition. Here and there a modern location creeps into his text — a reference to pragmatism, for example, or the appearance of a hit of dialogue

tincted with a late-20th-century sensibility — like "Save it, Carlos! I don't want your protection."

The author also frequently uses "gift" as a verb, as in, "I realized the powers of disguise gifted to the man I need to bring to justice," which seems stilted without being authentic to the period.

But generally speaking "The Last Kabbalist of Lisbon" is both a good mystery story and an effective evocation of a faraway time and place. Zimler begins by subjecting Berekiah's manuscript to critical scrutiny, citing evidence that it is authentic and wondering why there is no mention of it in contemporaneous Jewish manuscripts.

Possibly, he conjectures, Berekiah's "disparaging characterizations of Old Christians" — as distinct from the Jewish "converso" or "New Christians" — and his "treatment of such topics as sex and the schism between cabalists and rabbinical authorities" led him to suppress his writings, although they have happily resurfaced.

Berekiah says that he began writing his tale in the Hebrew year 5267, corresponding to the Christian year 1507. The author had been expelled from Spain in 1492. Portuguese Jews were forcibly converted to Christianity in 1497, but in 1506, some 2,000 of these New Christians, suspected of secretly observing Jewish rites, were massacred in an orgy of fire and blood.

Berekiah's story takes place during several days of Passover that year, during and just after the massacre. His Uncle Abraham, whom he calls "my master," is found murdered in the hidden cellar synagogue of the family home in the old Lisbon Jewish quarter. The rest of the story involves Berekiah's investigation of the crime and his effort to find and punish the perpetrators.

The murder scene, as investigated by Berekiah, is both intriguing and disturbing. Next to Abraham is a naked young girl, also stabbed to death. Semen is found on the uncle's thigh, so it looks as if he had been engaging in illicit

fornication when he was killed. The door to the cellar had been bolted from inside when Berekiah broke into the room and discovered the corpses, so how did the murderer make his way out? The throats of both victims had been cut just below the windpipe, as if by a shohet, a Jewish ritual slaughterer.

"Had a traitorous New Christian led the followers of the Nazarene to my uncle, then slit his throat?" he wonders. "I pictured a Dominican friar rousing the mob to break into our cellar, my master taken and handed over to this Jewish mercenary like a sacrificial lamb."

We do in the end learn who killed Uncle Abraham and the young girl, but not before Zimler has taken us on a not-before-journey through Lisbon, phantasmagorically caught up in the ritual of slaying Jews.

Among the cast of characters, most of them secret Jews, are a priest named Carlos, several members of a secret cabalist group assembled by Abraham to smuggle Hebrew texts out of Portugal and presented noblemen, the Count of Almira, who seems, like others in this story, to have a keen interest in ancient Hebrew texts. The murdered Abraham himself was a renowned manuscript illustrator, and Berekiah finds clues to the murder in his illustrations of a Haggadah, the Passover prayer book, in which some of the characters of the novel are portrayed as biblical figures.

And then there are here and there some fragments of cabalistic lore: "Books are created from holy letters," Berekiah tells a certain Dom Miguel. "Just as angels are, according to some. Viewed from this perspective — through a window of cabalistic, if you like — an angel is nothing but a book given heavenly form."

As Zimler brings us to the conclusion of his "translato" of Berekiah's rediscovered text, it is passages like this one, little riffs of mysticism and Jewish love, that give his book its special and endearing character.

New York Times Service

## BRIDGE

By Alan Truscott

THE final of the Vivendi Rosemum Cup for Open Teams, in which Italy defeated Brazil by 79 imps, was an anticlimax after the drama of the semifinal stage. Brazil survived against Sweden after being led with three deals remaining.

Italy won by just 3 imps against the United States team of Bart Bramley, Sidney Lazarus, Steve Garner, Howard Weinstein, Bill Pollock and Drew Casen. A key deal is shown in the diagram.

Bidding freak hands, especially when there is vigorous competitive action, requires guesswork rather than science. Alfredo Versace for Italy opened one spade and at his next turn took a wild shot at six hearts. He had heard his partner bid clubs, and the opponents had diamonds to the five-level.

Lazard, who had played superbly in the match, had to make a crucial lead at West. He knew that at this vulnerability his partner, Bramley, might have six diamonds. To avoid a possible ruff-and-stuff, he led his partner's ruff-and-stuff, he led his

Now South was able to ruff a diamond and lead a spade, after which he could not be prevented from using his spades. Two low spade ruffs in dummy could be managed, and the heart queen was the only trick for the defense. In the replay, the American North-South rested in four spades, and the Italian team had diamonds to the five-level.

The bidding:

East	South	West	North
Pass	1♦	3♦	4♦
5♦	6♦	Pass	Pass
Pass			

West led the spade 10.

## Just a Thought From the Cheap Seats: A Dose of Hard Times Could Be Good

By Rick Newman

WASHINGTON — I hope a recession is coming.

During the last one, the airlines were so desperate for business that they had to lower prices and treat customers nicely. You could tell the difference between the passenger and the cargo compartments.

Now, there are so many eager travelers that the airlines are earning record profits. Fares have gone up, passengers almost have to sit on each other's laps, and you

pay a little extra for such particle-board palaces. Maybe a dive in the Dow will put the woods out of these executives' price range.

Not that I want anybody to suffer terribly. I'd just like to see things get bad enough that all of the sport-utility vehicles on the road get repossessed. They are not especially sporting — the most appealing attribute is the ability to ballyhoo vehicles in lower weight classes — and their only unique utility is being able to drive over curbs without making the CD player skip. With those \$35,000 trucks out of the way, it should be easier for the rest of us to find our way around.

Real estate developers are getting a little cocky too. In my neighborhood, the few wooded areas left are being turned into tracts as stark as a Monopoly board near the end of the game, when everybody has replaced their little green houses with big red ones.

A billboard in front of one parcel reads: "Executive homes on wooded lots, from \$499,000." (Wooded, that is, until they actually build the houses.) The "executives" seem to be stock-market millionaires who are happy to

stock market's recent roller coaster. If it does degenerate into a free fall, they could become a lot more interested in what kind of man is leading the country.

Of course, I might benefit personally from a recession. When people were getting laid off back in the early 1990s, just having a steady income gave

## TribTech

**Faster and Cheaper Aren't Always Better, U.S. Space Agency Finds**By Warren E. Leary  
New York Times Service

**W**ASHINGTON — The National Aeronautics and Space Administration has been shifting its focus away from costly, large satellites and space probes, hailing a number of successes with smaller, less expensive craft that exemplify its new "faster, better, cheaper" philosophy of doing business.

From its highly successful Pathfinder mission, which left a small robot rover on Mars, to new probes heading for asteroids and comets, and small satellites measuring tropical rainfall or atmospheric gases on Earth, the space agency says it has ample evidence that the streamlined approach is working.

Smaller, simpler spacecraft — combining cutting-edge technology, like miniature instruments, with inexpensive, off-the-shelf components — can maintain a steady pace of exploration as budgets decline and new billion-dollar missions, like the Hubble Space Telescope, are no longer feasible, the space agency says.

But what if faster, better, cheaper proves to be none of the above? What if the process of narrower program re-

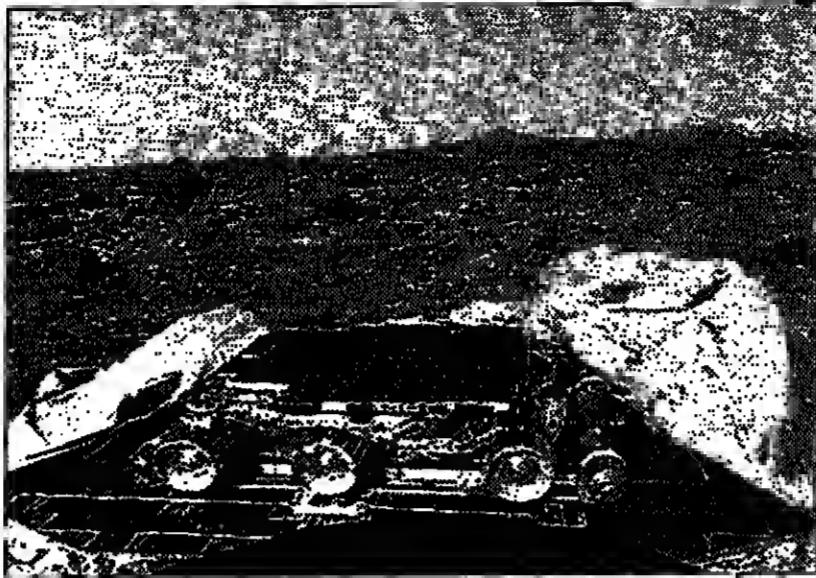
quirements, speedier, incentive-based contracts, more contractor responsibility and less government supervision or oversight fails to pay off? Then the government and the taxpayers could end up with Lewis and Clark — two satellites that were not among NASA's success stories.

A program announced in 1994, the Small Spacecraft Technology Initiative, should have resulted in the two satellites named for the 19th century American explorers Meriwether Lewis and William Clark orbiting Earth today, making detailed measurements of surface features and doing environmental sampling. Together, the two satellites were to demonstrate 55 new technologies and fly 7 major instruments developed by industry, university and government scientists.

Instead, Clark was never built, a victim of instrument problems, testing delays and rising costs. And Lewis, launched into orbit on Aug. 23, 1997, re-entered the atmosphere and burned up a month later.

Investigators said Lewis spun out of control and lost power because of flawed control system design and inadequate monitoring by ground controllers.

"Lewis and Clark were not high-



Agence France Presse

profile missions and didn't raise a lot of eyebrows when they failed," said Marcia Smith of the Congressional Research Service, "but they showed you can do faster, smaller, cheaper, but don't necessarily get better."

In announcing contracts for the two satellites in June 1994, the administrator of the space agency, Daniel Goldin, said the program put his "faster, better, cheaper" policy into practice. He called for the satellites to be developed and launched into orbit within 24 months at a cost of less than \$60 million each. Under this concept, the agency states the results it wants and leaves it up to the contractor with the winning bid to determine details, like design of the spacecraft, who will build what instruments and what rocket will be used to launch the finished craft.

"This is a new way of doing business for NASA," Mr. Goldin said then. "We told the industry what to do, not how to do it."

To safeguard the government's interests, contracts under the new program contain awards based on performance and disincentives for cost overruns that reduce fees if costs rise above certain levels, agency officials said. And if costs rise 15 percent above contract amounts, they said, programs face cancellation.

Chassem Asrar, the agency's associate administrator for earth science, said a new way of doing business required a new management approach, one that did not require the constant scrutiny of projects.

But he said the experience with Lewis and Clark showed the agency that it had gone too far in relinquishing oversight

of the projects to keep costs down. "There is a general perception in industry and Congress that the government having too much oversight adds time and money to projects," Mr. Asrar said. "But we discovered the hard way that it's not always true. We learned we stepped too far back."

A \$39 million contract for Lewis went to TRW Inc., calling for a 600-pound satellite with a three-year design life. It would carry two advanced imaging instruments that would allow monitoring the planet in unprecedented detail.

A \$50 million contract for Clark went to CTA Inc., a technology company that was acquired last year by the Orbital Sciences Corp., which designs and makes rockets, satellites and other space-related products. Clark, similar in dimensions to Lewis, was to carry instruments to measure and map global air pollution from space, and an X-ray astronomy experiment.

Engineers familiar with Clark said the project ran into problems when subcontractors had trouble building and testing some instruments that proved more technically complex than expected. In addition, they said, a number of subcontractors were acquired by other companies during the development period, and personnel changes, combined sometimes with cost-cutting mea-

sures or relocating of sites, resulted in schedule delays.

Because regular reporting to NASA was not required and each satellite program had only one person at NASA headquarters monitoring it instead of a team, the agency was not aware of many problems with Clark until last year, when it initiated several reviews, of

icials said.

Mr. Asrar of NASA said the agency

was ultimately responsible for assuring that project objectives were met and "our assurance process was ineffective in this case."

The agency's Office of the Chief Engineer is putting together a "lessons learned" report on Lewis and Clark, as well as other "faster, better, cheaper" projects, in hope of finding the optimal way to manage them, he said.

The agency is moving toward what he called "light touch management" for such programs, which includes two major reviews during the course of each project and not giving contractors so much autonomy. This is in contrast to old-style project management, which often included a half-dozen reviews and daily interaction with NASA, he said.

"This process is new, and we are still learning," Mr. Asrar said.

For information about NASA programs, see: [www.nasa.gov](http://www.nasa.gov)

## BRIEFLY

**A REAL DEAL FOR INTEL:** In an agreement announced Wednesday, Intel Corp. said it would license its advanced video-compression software to Real Networks Inc., a developer of programs that deliver audio and video over the Internet.

Beyond the expectation that Intel's technology will improve the performance of Real Network's software, the deal is seen as further evidence of growing cracks in the so-called WinTel duopoly, the cooperative relationship under which Intel's microprocessors and Microsoft Corp.'s operating systems have long dictated the direction of the personal-computer industry.

In the Real Networks deal, Intel is sharing its technology with a Microsoft competitor in an area that is thought to be crucial to the future commercialization of the Internet.

Real Networks says that about 30 million people now use its software. That is believed to give it a substantial lead over Microsoft, which developed a competing technology, known as Netshow, then hedged its bets by paying tens of millions of dollars for an equity stake in Real Networks.

Although the Intel-Real Networks deal does not include an Intel investment, both companies are calling it "strategic." Intel will license its compression technology for use in the newest version of Real Networks' multimedia software, Realvideo GE, which is now in testing. Real Networks' "streaming" software delivers audio or video in a stream of bits as it is being heard or watched.

**CHINA PREPARES TO LEAP FORWARD:** The government has drawn up plans to address the millennium bug problem, the official Xinhua news agency reported Wednesday.

The China Securities Exchange Commission has ordered the stock markets in Shanghai and Shenzhen and the country's securities firms to "undertake" an exercise in which they turn their computers' clocks forward to Jan. 1, 2000, to see whether the machines operate normally.

The exchange commission has scheduled four comprehensive test runs for the securities and futures industries, and companies that fail to pass the test will be deprived of their licenses, the Xinhua report said.

The "2000 bug" stems from the inability of older computer systems to deal with four-digit years in dates.

The machines are expected to malfunction when they mistake the first day of the next century for Jan. 1, 1900.

Xinhua said the State Council this month released a timetable calling for the government to fix its systems by March 31 and to complete a series of checks and tests by September 1999.

**breakthrough in computer-monitor technology, a flat-panel screen that produces four times the resolution of other display monitors."**

The "quad-resolution" display screen produces images as discernible as — and in some cases clearer than — they are when printed on paper.

A prototype of the screen was demonstrated last week in New York by members of IBM's research division, which developed the device under the name Roentgen, after the physicist who discovered X-rays.

The Roentgen prototype uses liquid-crystal display technology similar to the screens on notebook computers and existing flat-panel monitors. But it employs more than 15.7 million transistors to pack 40,000 pixels into every square inch of screen area. That is four times the number of pixels per square inch in a standard monitor and twice the number used in the new high-definition television screens just entering the market. A pixel is the smallest image-forming unit of a video display.

The Roentgen prototype has a diagonal viewing area of 16.3 inches (41.4 centimeters), is only 2.5 inches thick and weighs less than a third of a typical cathode-ray tube monitor.

"The market wants to go in that direction," Ed Buckingham, an analyst with the IDG research firm, said. The big question mark, he said, would be where, at what price and in which market the Roentgen would be introduced.

For example, he said: "The medical market will be big for this product. The need to produce X-rays digitally and other diagnostic tools that require extremely high resolution mean that in medicine, price will not be a big deal."

(NYT)

**WASHINGTON'S 'INFOCOMM CLUSTER':** The information-technology industry in Washington has become so big, with more than 328,000 employees, that it rivals the size of the region's federal work force, a study showed.

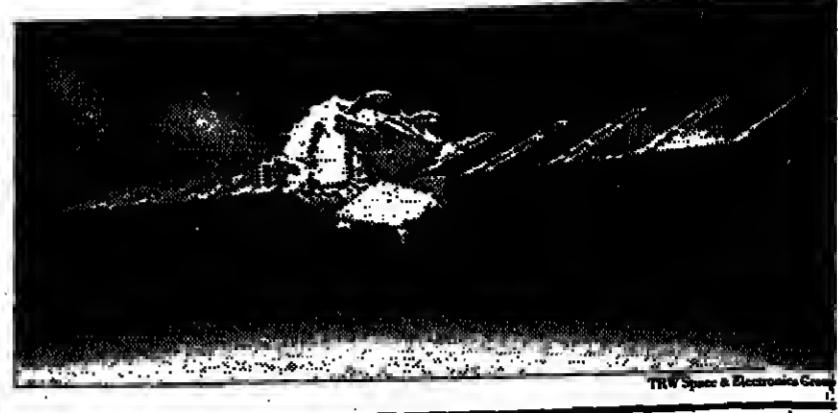
The study, by the Potomac Knowledgeway, portrays the greater Washington region as a global center of the information technology, telecommunications and Internet industries — the "InfoComm Cluster," according to the study's authors.

The companies range from Internet access providers such as UUNet Technology Inc. to World Wide Web content creators such as the Smithsonian Institution and the National Geographic Society as well as equipment manufacturers, satellite communications and software-services companies and government computer systems contractors.

There are 340,000 federal employees in Washington.

Applying its definitions to the American economy, the study said the 328,000 employees represented 11 percent of the nation's total employment in these kinds of industries. That is much higher than the region's 2 percent share of nationwide employment.

(WPT)



One success and one failure: In pursuit of its new "faster, better, cheaper" philosophy, NASA sent its Pathfinder mission to Mars, left, which was a stunning success in July 1997. But its Lewis satellite, above, fell out of orbit and burned up in the atmosphere after being sent into space a month later.

TRW Space & Electronics Co.

Immedia's gray box that allows

ALT / Commentary

**Sending E-**

By Victoria Shannon

PARIS At last week's big Internet conference, a lot of people were talking

about the future of the Internet.

Bill Gates of Microsoft talked

about Windows taking over the world

of Internet appliances. In a speech, he

predicted that Sun Microsystems, Inc.,

IBM, and other companies would

simply take over the world.

But the most controversial Internet

topic, perhaps, was the future of the Internet.

Bob Metcalfe, in his presentation, talked

about the future of the Internet.

He said that the Internet would

be the "new world of the Internet."

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## CAREERS IN TECHNOLOGY

## OSCE Organization for Security and Co-operation in Europe

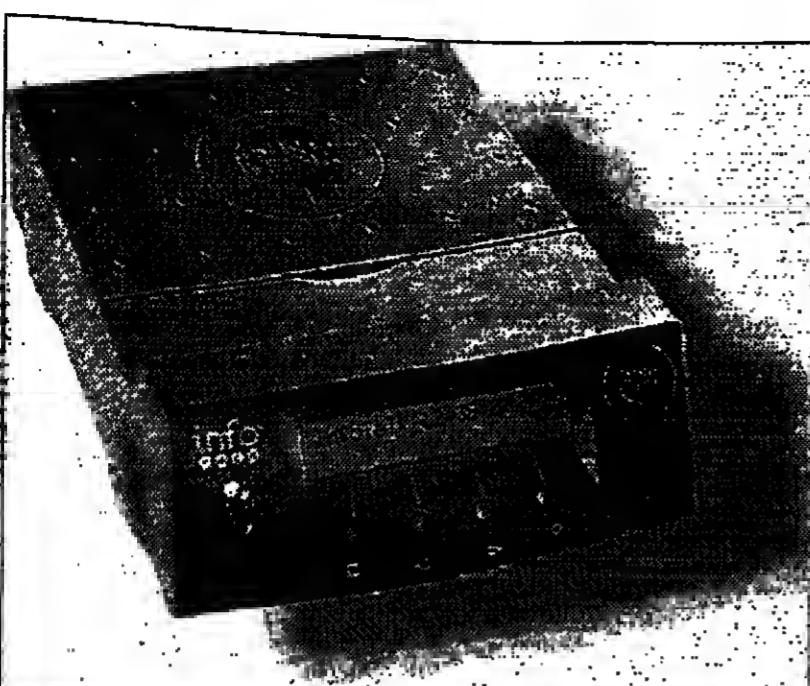
The OSCE is an international organization with some 1,700 staff in Institutions and Missions and has an annual budget of over ATS 1.4 billion. Its main office is in Vienna.

The OSCE is now seeking candidates to fill two posts of

## Business Analyst

Reporting to the Systems Development Officer, S/ho will assist in planning, selecting and implementing the critical management information system(s) for the OSCE.

## TribTech



Innomedia's gray box that allows virtually free phoning on the Internet.

## ALT/Commentary

## Sending E-Mail - and Paying Postage?

By Victoria Shannon  
*International Herald Tribune*

**P**ARIS — At a technology forum here last week, a lot of experts gave a lot of prognostications about the future of the Internet.

Bill Gates of Microsoft Corp. talked about Windows taking over the world of Internet appliances. Scott McNealy of Sun Microsystems Inc. ventured that Java would take over the world of Net operating systems, and Ray Lane of Oracle Corp. predicted that network computers would simply take over the world.

But the most controversial forecast, perhaps deliberately so, came from Bob Metcalfe, an industry pioneer and legend, during the last half-hour of the three-day International Data Corp. conference.

Mr. Metcalfe's name might be familiar as the guy who invented Ethernet, a networking technology that helped transform computing. Perhaps he is better known as the founder of 3Com Corp., the telecommunications equipment company. But in the future, he may be associated with the idea of a pay-as-you-go Internet. That's what he thinks the Net needs to evolve into. "We need to pay postage on the e-mails

that we send," he said at the conference. "We need to pay for the bandwidth that we consume. And paying flatfees for all of this is not a sound basis for an economically viable Internet."

He would like to eliminate the ubiquitous \$19.95-a-month, all-you-can-eat charges people have become accustomed to in favor of metered Internet use. The idea would be considered blasphemy to the early adopters of the Internet, who believed it would be a free international network for research and communications. But the World Wide Web has, since its 1991 beginnings, instead become a lure for people and companies who see it as a conduit for commerce.

"Most of us are very negative about metering because we've lived in a world dominated by telephone companies," said Mr. Metcalfe, who is a vice president at International Data Corp. But he argued that paying for each minute of use is not what people resent; rather, he said, it is the phone companies' charging "extraordinarily high prices" that "really upsets us."

Mr. Metcalfe is hypothesizing that a pay-as-you-go Internet would involve "micro" prices and payments, tiny fractions of a cent per e-mail or down-

load. He sees two critical benefits to this system.

"One is that paying as you go deters waste," he said. "One reason that we have spam today is that it costs nothing to send spam," he added, using the industry slang for junk e-mail. "One way to really cut back on spam is to charge e-postage."

The other major reward, he said, "is that we could fund capacity growth." The Internet's capacity "needs to be growing," he said, "and if people pay for what they use, then that's classic communication between supply and demand."

"You'll often hear people say that the Internet wouldn't exist if postage had been charged on e-mail all these years," he said, but he added, "We don't have to keep running it the way we did when it first started."

It's easy to argue with his premise. Won't this make the Internet inaccessible to the world's poorer citizens?

That, he says, would be like arguing that we shouldn't use money at all because it creates inequities.

Instead, he proposes to solve the haves vs. have-nots problem a different way, perhaps by giving money to the have-nots so they can buy In-

ternet resources, "rather than have the Internet be on an uneconomic basis."

He also raised another possibility: "It is possible that advertisers would be willing to pay our e-mail bills. I'm simply saying that there should be e-mail bills to be paid."

His take on the future is worth some thought. But those who oppose metering the Net, take heart. It will be some time before anyone can come up with a system able to handle a pay-as-you-go Internet. Mr. Metcalfe estimated that it would take about 10 years.

Mr. Metcalfe stressed that it wouldn't be the government being paid the e-postage, but rather the mail servers and Internet service providers.

*Victoria Shannon can be e-mailed at vshannon@aol.com.*

the other end, they are reassembled into sounds.

When the Internet is clogged with too much data, some packages get delayed. The quality of Internet calls within the United States, for example, noticeably declines each afternoon as thousands of high school and university students return home from

classes and log onto the Web.

Long-distance telephone companies that use the Internet try to send their calls along the least crowded routes.

Infotalk uses a proprietary data compression method and the unit's 2-megabyte memory buffer to speed up and smooth out voice transmission. When Internet traffic is heavy, voices stop abruptly in midsentence for a moment before picking up again, much like a needle being lifted off a record momentarily.

Improved methods of routing data could eventually give Internet phone calls better quality than normal international calls.

**B**ut for now, the delays make units such as Infotalk and competing products ill-suited for conducting sensitive business negotiations. Such units could, however, be ideal for slashing telephone bills between far-flung company offices or allowing family members to stay in touch regularly for a fraction of the standard phone rate.

To use the system, you and the person you are calling both need an Infotalk unit hooked up to the telephone, as well as a standard Internet account each.

Setting up the unit is remarkably simple. It requires plugging phone lines into the unit just like an answering machine and then entering the details of your Internet account using the telephone keypad.

For this non-technical user, the whole process took about 45 minutes from opening the box to making the first successful Internet phone call.

Infotalk's documentation is clear, thorough and very well thought out. The instructions take users through a simplified setup that quickly allows Internet phone calls before going back to explain more involved procedures, such as creating a list of frequently called numbers.

Once plugged in and programmed, the machine is easier to use than a videocassette recorder.

To use the Internet for long-distance calls, you dial a regular call to another person with an Infotalk unit. Once connected, either person can press the num-

ber sign on the telephone's keypad to signal that the call should be switched onto the Internet.

The machines then make a low chirping noise for a few moments while they identify one another, hang up the standard long-distance call, dial through to their respective local Internet number and find one another again on the Internet. The standard-rate long-distance call lasts about 30 seconds, and, after about two or three minutes, the machine beeps loudly to signal that the conversation can be continued for the cost of an Internet connection.

For the most part, the Infotalk unit did not affect normal operations of my telephone. It coped well with the fact that I had hooked it up on the same line as my fax, answering machine and cordless phone. Infotalk's fundamental weaknesses are the Internet itself and the fact that it relies on proprietary compression technology, requiring both users to buy a unit built by Infotalk.

As the technology develops, Internet telephones will get a common communication standard — much like fax machines — and people will be able to talk between units purchased from rival companies.

**■ IBM Focuses on Internet Links**

International Business Machines Corp. said it would introduce technology to allow people to make phone calls over the Internet, as part of the company's strategy to focus on software and Internet products, Bloomberg News reported from Armonk, New York.

IBM, the world's biggest computer maker, also is working with IDT Corp., which provides phone services at discount prices by sending voice traffic over the Internet. IDT's software is geared toward consumer users.

IBM wants to get a jump on a market that is expected to mushroom to \$2.5 billion in sales in 2004 from \$49 million today, according to Forrester Research.

## SITES

Find out about IDT's services at: [www.idt.com](http://www.idt.com)

More information about Infotalk, and services can be found at: [www.innomedia.com](http://www.innomedia.com)

Information on Neophone, another Net phone provider, can be found at: [www.neophone.com](http://www.neophone.com)



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MORE THAN A CONNECTION

## INTERNATIONAL

# German Opposition Takes a Spin

By Edmund L. Andrews  
New York Times Service

FRANKFURT—Until recently, Dermar Karpinski's biggest accomplishment was advertising Lucky Strike cigarettes. Today, he is producing one of the slickest and most American-style political advertising campaigns that Germany has ever seen.

Hired by the Social Democratic Party and its candidate for chancellor, Gerhard Schroeder, Mr. Karpinski has created a media campaign that is an artful dance between cozy images of a happy Germany and edgy criticism of Chancellor Helmut Kohl.

A commercial playing in movie theaters shows four astronauts in a Star Trek setting about to be "beam'd" to another planet. When the beaming is over, one astronaut is left behind and he turns out to be a corpulent and befuddled Mr. Kohl. The message: the 68-year-old chancellor is "not ready for the future."

In a blitz on television, on billboards and in glossy magazines, Social Democratic ads combine images of gauzy warmth with a sneaky punchline. Billboard posters, aimed a provoking fears about cuts in health care, show a blond boy whose smile reveals a missing tooth.

"We don't want to tell the difference between rich and poor just through a smile," reads the caption.

A magazine ad centers on an aging, framed photograph of children and the slogan: "You should have more in your retirement than memories."

These and a barrage of other ads mark a major departure from the dull and didactic fare that have usually graced German political campaigns. They are also a far cry from the old-school ads for Mr. Kohl, whose most ubiquitous campaign poster features his picture and the slogan "World Class for Germany."

Mr. Schroeder and his campaign managers have adopted techniques used by Ronald Reagan, Bill Clinton and Tony Blair. They have focused relentlessly on feelings rather than facts. They have carefully honed their themes based on market research. And they began mapping their strategy more than 18 months ago, before Mr. Schroeder even became the party's official candidate in the election, which is set for Sept. 27.

"The SPD had an image that was somewhat old-fashioned and needed to be modernized," said Mr. Karpinski, creative director for KNSK-BBDO, a Hamburg advertising agency, referring to the Social Democrats. "One had the impression that they didn't really want to win an election, that they just wanted to be in the opposition."

Advertising plays a much smaller role in Germany than in the United States. The Social Democrats say they are spending about 40 million Deutsche marks (\$23.7 million) on paid advertising, though Mr. Kohl's party, the Christian Democrats, insist the spending is much greater. Their own spending, they say, is about \$30 million.

But the Social Democrats say they have systematically used advertising, some-

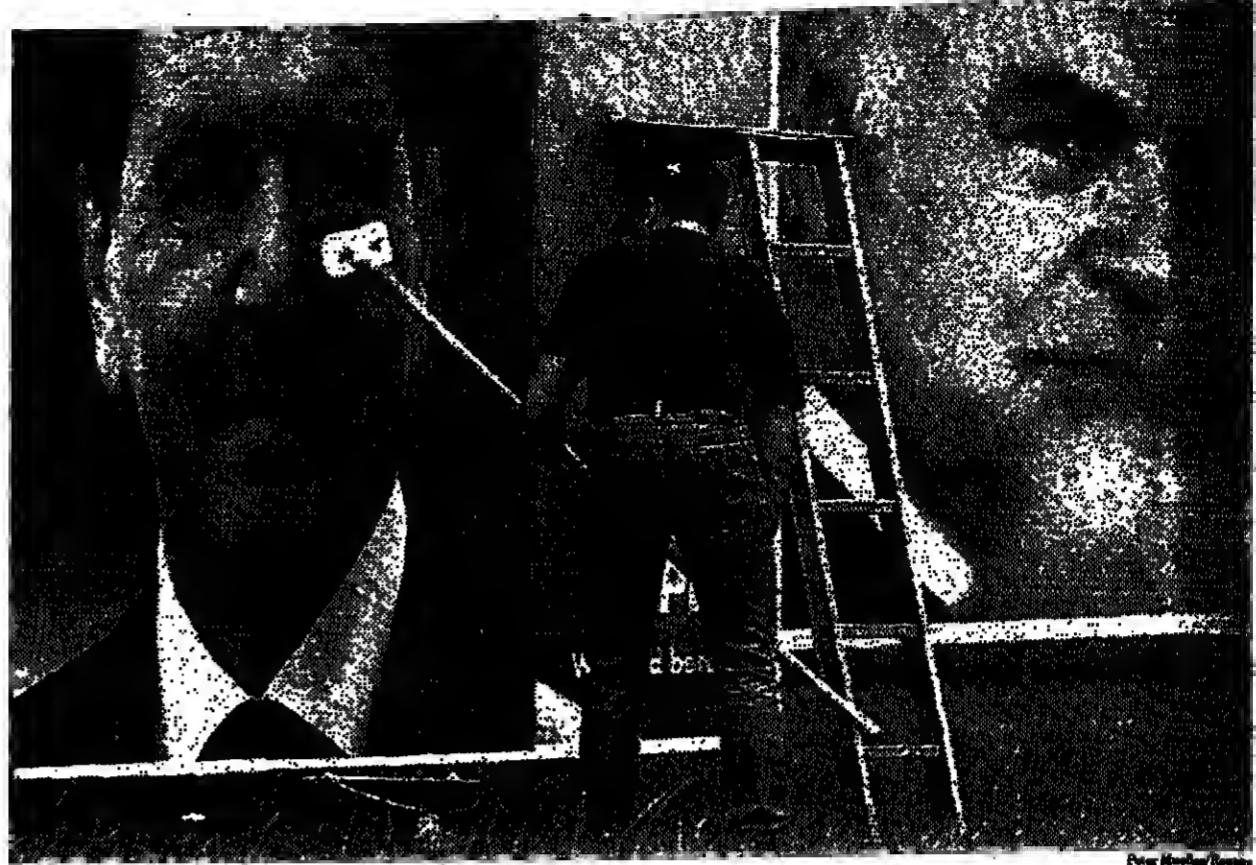
times to illustrate a new stylishness. The clever and fast-paced advertising is meant to appeal to younger and more video-savvy voters who have grown up watching MTV. Indeed, party officials used the first wave of campaign posters for the sole purpose of showing them to journalists.

Negative political advertising has been almost nonexistent here. Though Germany's high unemployment rate under Mr. Kohl is the Social Democrats' most important theme, party officials say that attack ads would have alarmed voters.

Instead, Mr. Karpinski has produced a campaign loaded with happy images and with a critical message at the end. One television ad describes the things people strive for and shows families and children, hikers and bicyclists, playgrounds and modern factories. The screen then abruptly goes black, and a message reads: "But 4 million unemployed Germans can't."

"Negative advertising can work, but it would be wrong in this country," said Mr. Karpinski. "We didn't want to frighten people with attack ads. We wanted to make them comfortable with the party, so the images you see are always positive, an optimistic."

Indeed, Mr. Kohl and the Christian Democrats briefly tried negative advertising but quickly retreated. Known as the "red-handed" campaign, Christian Democratic billboards warned darkly that the Social Democrats might join forces with the successor to East Germany's old Communist Party, the Party of Democratic Socialism.



A worker in Hannover pasting up a campaign poster for Gerhard Schroeder, the Social Democratic candidate.

## In Poll, Kohl Narrows the Gap With Schroeder

Reuters

BONN — Chancellor Helmut Kohl's Christian Democrats narrowed the gap with Gerhard Schroeder's Social Democrats, to three points from five points, according to a survey of voters by the Infomax-Dimap institute released Wednesday.

The poll of 1,100 voters showed that the Christian Democrats had risen one percentage point from a week earlier, to 38 percent of the vote.

The Social Democrats dropped one point to 41 percent.

The poll was the second survey published since the Christian Social Union, Mr. Kohl's Bavarian sister party, scored a solid victory in a state election in Bavaria on Sunday.

A survey by the FONA institute, published Tuesday, had Mr. Kohl's party cutting the gap from six percentage points to three — also 41 percent to 38 percent. Mr. Kohl has trailed Mr.

Schroeder by up to 12 percentage points in surveys over the last six months.

Mr. Kohl is running for a fifth term as chancellor in the Sept. 27 election.

The popularity of Mr. Kohl's coalition partners, the Free Democrats, was unchanged at 5 percent, while the Greens, a likely coalition partner of the Social Democrats, were steady at 7 percent. The Party of Democratic Socialism, the former East German Communists, was unchanged at 4 percent.

## SAFETY: U.S. Crash Investigation Methods Are Popular Export

Continued from Page 1

strikers say, smaller companies are less scrupulous. Most of the production companies say they are willing to increase fees but so far have balked at signing a labor contract and promising royalties.

Time and mass culture may be on the strikers' side. Even young moviegoers drenched in American pop culture are reluctant to see films with subtitles.

"I studied English in school but I still don't know it well enough to watch a movie," said Ludovica Gasparini, a university freshman, as she emerged from seeing Wes Craven's latest horror movie, "Scream 2," in Italian. "I would hate to see it with subtitles and think that I was missing something beautiful."

Major movie studios still hire the top professionals to do the voices of Tom Hanks or Jack Nicholson. But when it comes to television and commercials, the

experience lately with underwater crashes, including the fiery plunge of ValuJet Flight 592 into the Florida Everglades, and the explosion of Trans World Airlines Flight 800 over the Atlantic Ocean, both in 1996.

The Canadian board's engineering laboratory in Ottawa, which is examining the cockpit voice recorder and flight data recorder of the Swissair plane, is recognized as one of the best in the world.

The well-traveled Mr. Feith is the leader of a team of U.S. investigators who are aiding the Canadian government. Under International Civil Aviation Organization rules, the United States has been included in the inquiry because the flight originated in the United States and the Swissair plane, a McDonnell Douglas MD-11, was U.S.-built.

Still, Mr. Feith, with his classic good looks, sometimes inadvertently creates a sideshow to the investigations, drawing mail from women who want to meet him. Mr. Feith gained a nickname he will never live down during the ValuJet investigation when the Miami news media began calling him "the Mud Stud."

The rest of the team may not be as high-profile as Mr. Feith, but its investigators have perhaps 150 years of aviation and investigative experience among them.

One of them, Frank Hilldrup, will be doing the same job in Nova Scotia that he did in the TWA 800 investigation, living aboard the U.S. Navy salvage ship Grapple, examining every piece of wreckage that it hauls from the deep.

Jeff Guzzetti, an aircraft systems spe-

## DUB: A Strike Silences the Voices of Movies and Television in Italy

Continued from Page 1

try to recruit nonunion dubbers from northern Italy but would not release the movies with subtitles.

"Italians aren't used to seeing movies in the original version," he said. "They just won't go."

Dubbing in Italy has its own odd history. In the 1930s, the Fascist government required that foreign films be dubbed to drown out the sound of the enemy language. After the war, John Wayne Westerns and American comedies flooded Europe. But particularly in Italy, where the literacy rate was very low, audiences could not read subtitles.

Italian dubbers consider themselves artists on a par and sometimes better than many of the movie stars they serve.

The strikers complain that since the advent of private television networks, the demand for dubbing has increased, and so has the number of dubbers. Quality lost out to quantity, as companies scrambled to dub countless soap operas, sitcoms and old movies, hiring anyone who would work for less than the going rate, as much as 30 percent below the minimum union wage.

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## ECONOMY: Greenspan Plays Down Talk of Global Cut in Rates

Continued from Page 1

percent during the afternoon, Brazil, which has seen significant outflows of money in recent days, was hurt both by the waning chances of a global rate cut and by Mr. Rubin's refusal to confirm that there are plans to help the country defend its currency, the real.

In response to a question from Mr. LaPalme, who asked if the United States would "draw the line in Brasilia" to "arrest any further devaluation" in the real, Mr. Rubin said, "I think it is probably premature to comment on specifics."

He did say that Brazil, whose large economy is important to Latin American

stability, "has been subject to intense focus."

Brazil's financial markets also had been encouraged by reports that its finance minister said the International Monetary Fund and the Group of Seven industrial nations were considering a \$26 billion line of credit to Latin American countries. Bloomberg News quoted the minister, Pedro Malan, as saying from Brasilia that the credit would be made available to calm investor concern that Latin American nations might default on their obligations, as Russia recently did.

Most of the presentations by Mr. Greenspan and Mr. Rubin consisted of calls to developing countries to reform their economies. Mr. Rubin said the eco-

nomic crisis that began last summer in Thailand "now has affected countries around the globe."

He added that while there are differences from nation to nation, "there have been some common deep-seated problems, usually, but not always, centering on badly flawed financial systems."

Mr. Greenspan warned against compounding existing problems by imposing capital controls in an effort to limit the effect of financial speculation.

"Endeavors now to block repatriation of foreign funds, while offering temporary cash flow relief, have significant long-term costs and clearly should be avoided, if at all possible," Mr. Green- span said.

Mr. Rubin lobbied the representatives to increase U.S. funding to the IMF, although he admitted that the administration "has been focused for some time now on the need for reforms" at the international lending agency. Several of the committee members criticized the IMF for imposing inappropriate programs on some indebted countries and wasting money on its support of Russia.

The Treasury secretary also said that "the rest of the world looks to the United States, as the world's indispensable nation, to show global leadership at times like these."

That statement came as President Bill Clinton is beset by problems relating to his relationship with Monica Lewinsky, a former White House intern, and could have been an attempt to focus attention on global problems.

In fact, Mr. Clinton hinted on Monday that he favored a reduction of interest rates, repeating an earlier warning from Mr. Greenspan that the United States could not be "an oasis of prosperity" in an unsettled world. That comment was referenced several times in the question-and-answer session after Mr. Greenspan and Mr. Rubin made their statements.

WASHINGTON — Images from NASA's Galileo spacecraft have revealed for the first time the process by which nature decorates some planets with rings, scientists reported.

The pictures show that Jupiter's swirling rings, which are not visible from Earth, are being fed with dust kicked up by a rain of meteoroids, streaking in at 100 times the speed of a .22-caliber bullet and bombarding the surfaces of the giant planet's four tiny inner moons, Metis, Adrastea, Amalthea and Thebe.

The inner moons, ranging from 16 to 106 miles (25 to 170 kilometers) in

diameter, "have so little gravity that when something hits them, stuff comes flying off," a Galileo scientist, Joseph Veverka of Cornell University, said in an interview Tuesday.

Researchers from Cornell and the National Optical Astronomy Observatory in Tucson, Arizona, presented the findings at a Cornell briefing carried live on the Internet.

Scientists have speculated for centuries about the origins of planetary rings, particularly the more flamboyant and easily seen system that encircles Saturn, another giant gas planet. Now, at least for Jupiter, they know the answer.

## Ugandans to Stay in Congo

Museveni Criticizes Kabila for Relying on Other Foreigners

The Associated Press

KAMPALA, Uganda — Ugandan troops will remain in neighboring Congo to protect Uganda's security interests, despite protests from Kinshasa, President Yoweri Museveni said Wednesday.

"Our troops will remain there until there is a regionally agreed model for peace," General Museveni told Parliament in addressing legislators' concerns about the role of Ugandan troops in the six-week-old Congo rebellion.

President Laurent Kabila of Congo claims that Uganda and Rwanda are behind the revolt. Both countries deny direct involvement in the uprising of disgruntled military officers, including ethnic Tutsi who were instrumental, along with Rwanda, in the rebellion that put Mr. Kabila in power in 1997.

The current rebels accuse Mr. Kabila of nepotism and corruption.

General Museveni, himself the leader of a five-year bush war that brought him to power in 1986, criticized Mr. Kabila for calling in troops from Zimbabwe, Angola and Namibia to save the Congolese capital, Kinshasa, from capture by the rebels.

"We have been facing a lot of problems during our time in power, but we never called in foreigners," he said.

General Museveni said Mr. Kabila must drop his opposition to peace talks with the rebels.

Mr. Kabila allowed Ugandan troops to enter northeastern Congo about a year ago to flush out Alliance of Democratic Forces rebels camped at the base of the Rwenzori Mountains. Those rebels were attacking western Uganda.

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## CROSSWORD

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1 Unpruned 20 "Our agony."  
2 "I believe it."  
25 1972 Broadway  
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27 1965 Poace  
Prize recipient  
30 Showy  
enthusiastic  
32 Scout soldier  
33 Like a congealed  
work.  
35 Gradually  
remove  
36 Peace of mind  
41 Anthology  
42 Like a sleeping  
beet.  
43 Soler of soaps  
46 Sulfur with gugal  
47 Dundee design  
48 Take turns

**DOWN**  
1 Berated  
2 Burned spray  
3 Greenish  
4 Subway tunnel  
art, maybe  
5 Communication  
from an  
Aeolian  
philosopher?  
6 "That's awful!"  
7 Sophrone  
8 Conquest of  
Crete  
9 "Quo Vadis?"  
director Mervyn

**10** Year of an  
ancient Greek  
philosopher?  
11 Rain forest  
ruminant  
12 Non-meat-eater  
13 Eaten  
14 "I'm a gen.  
22 Mythical  
water creature  
25 "Dress  
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27 Cork's river  
28 "Don't look  
at me!"  
29 Declaration  
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30 Unbinding a  
German  
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31 Heaps  
32 Heaps who was a  
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33 Composition of  
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37 Borgia in law  
38 Caboose  
39 Tight as  
40 Overlay, in a  
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41 Demomedes  
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42 Ab — (from  
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43 Teardrop  
44 — National  
Forest, Ark.  
45 Conquest of  
Crete  
46 Cry over spilt  
milk  
47 "That's awful!"  
48 Kind of a drag  
49 Rounds  
50 River's path,  
possibly

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Friendships  
every Saturday  
in The Intermarket

## ASIA: Recession and Its Woes Deepening

Continued from Page 1

its pace of growth for the first half of 1998 slowed to an official 7 percent, the lowest since 1991.

The Chinese government tried to maintain its 8 percent growth target for this year—in part with a plan to increase home ownership across the country—but had to scale back that ambition because of the fallout from the surrounding region.

Even Taiwan, which has become an important potential source of capital throughout the region, now predicts its growth will reach 5.3 percent, compared with 6.8 percent in 1997.

The agony of Indonesia is virtually in a class of its own.

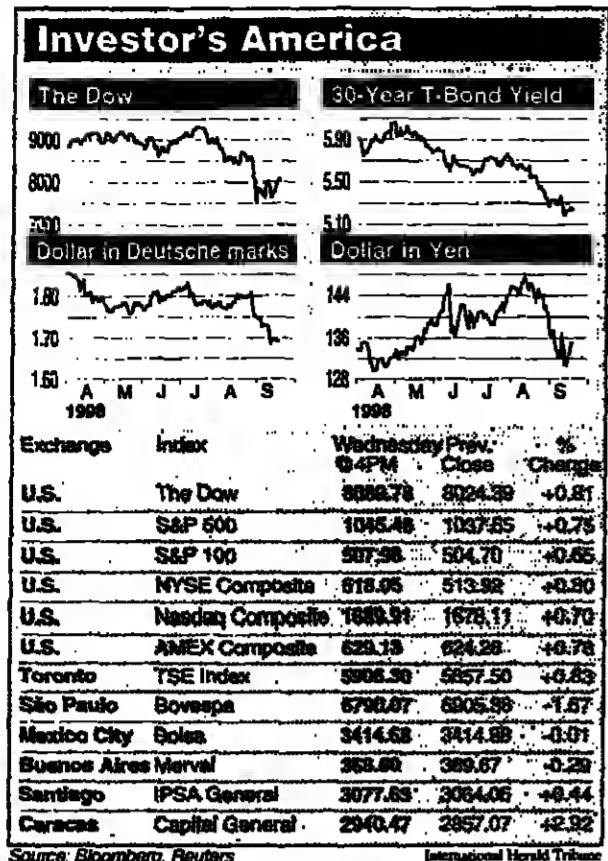
Millions are slipping below the poverty line. In the first half of this year, Indonesia's economy was officially estimated to have shrunk, on an annual basis, by 12.2 percent. For the year, the government says it will be 13 percent, but private economists say it could be as severe as 20 percent.

Falling currencies make the declines much more stark in dollar terms. While all the statistics at this point are somewhat dubious, the Indonesian government has said that in dollar terms, output per person is expected to fall to \$436 in 1998, from \$1,055 in 1997.

"I don't think Europeans or Amer-

icans could really understand how bad things are," said Simon





## Very briefly:

• Toys 'R' Us Inc., the world's largest toy retailer, will take a charge of \$495 million to close as many as 90 stores, shut distribution centers and renovate its remaining stores as it seeks to cut costs and compete with discount chains such as Wal-Mart Stores Inc.

• America Online Inc. agreed to sell three of its women-oriented services in a new venture formed by Geraldine Laybourne, the former head of cable television operations for Walt Disney Co. and ABC, who will develop them for the online service's new Women's Channel.

• Motorola Inc. said it was halting construction of a \$3 billion computer-chip plant near Richmond, Virginia, because of low prices and slumping demand for semiconductors. Construction, which was delayed once before amid a 1997 chip-market decline, will stop within days and be halted indefinitely.

• The United States is loosening export controls on advanced data-scrambling technology for the insurance, health-care and on-line industries, Vice President Al Gore said. In recent months, top executives from major technology companies have been meeting with members of Congress to write laws that would ease restrictions on the exporting of encryption software.

Bloomberg, NYT

The Tris Index						
	Jan. 1, 1992 = 100	Level	Change	% change	year to date	% change
World Index	175.50	+1.15	+0.66	+1.37		
Regional Indexes						
Asia/Pacific	72.41	+0.18	+0.25	-24.63		
Europe	212.10	+0.19	+0.90	+9.87		
N. America	237.31	+62.34	+35.63	+9.87		
S. America	87.95	-1.35	-1.51	-42.38		
Industrial Indexes						
Capital goods	238.06	-1.99	-0.83	+15.24		
Consumer goods	216.87	+1.07	+0.50	+3.40		
Energy	193.84	-1.76	-0.96	-0.57		
Finance	116.22	+2.07	+1.81	-5.48		
Miscellaneous	145.36	-0.34	-0.23	-3.02		
Raw Materials	166.78	+0.11	+0.07	-0.28		
Service	192.42	+2.47	+1.30	+10.39		
Utilities	162.06	-0.37	-0.23	-2.88		

The International Herald Tribune World Stock Index tracks the U.S. dollar value of 230 internationally investable stocks from 25 countries. Compiled by Bloomberg News.

Global Market Uncertainty Who Profits?									
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Highline 800-01-0102	France 0800-00-2248	Greece 0900-01121010	U.K. 0800-00-2248	Germany 0800-02-5560	Holland 0800-02-220657	Italy 0800-02-7208	Spain 0800-02-00657	Sweden 0800-02-1007	U.K. 0800-02-00632
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## AMEX

Wednesday's 4 P.M. Close  
The 200 most traded stocks of the day, up to the closing on Wall Street.

\* \* \* \* \* Associated Press

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# Blair Rejects Calls For Weaker Pound

Compiled by Our Staff From Despatch

**SUNDERLAND, England** — Prime Minister Tony Blair said Wednesday that Britain could not avoid the storms buffeting the world economy but resisted demands for a short-term solution to the problems of a strong pound and high interest rates.

On a visit to northeastern England, which has been battered by a string of high-profile factory closings, Mr. Blair talked up Britain's economic prospects and said his government would not be blown off its long-term course.

His remarks came as the Office for National Statistics said unemployment in Britain fell to 4.6 percent in August, the lowest level in nearly two decades.

Mr. Blair announced a £38 million (\$63.7 million) package of measures to help people who lose their jobs and said Britain and other leading economies were working together to counter the risk of a slowdown in the global economy.

But he said ministers were powerless to tame the global forces that were responsible for recent decisions by the Japanese electronics manufacturer Fujitsu Inc. and German chipmaker Siemens AG to close two plants in northeastern England with the loss of some 1,600 jobs.

"We can't, as a government, do much about the twists and turns of world markets in an increasingly globalized economy," Mr. Blair said. "Let us not kid ourselves. In certain sectors there will be an impact."

Mr. Blair acknowledged that exporters were suffering from the high level of the pound, which has been raised by high interest rates, but he said he would not "artificially" change the value of the currency.

Mr. Blair said it would be wrong for the Bank of England, which is responsible for setting interest rates, to lower borrowing costs prematurely despite economic storm clouds.

"It is essential that we don't loosen our grip on getting inflation down," Mr. Blair said. "Failure to do that short-term will mean paying a high price in the long term."

Mr. Blair said he understood the problems for exporters caused by the level of the pound but said, "No

matter how difficult, I must say to you in all candor we'll stick to our policy."

After six quarter-point increases since May 1997, Britain's benchmark interest rate stands at 7.5 percent, the highest in the European Union. Despite recent losses, meanwhile, the pound is still 22 percent higher than it was in August 1996, making British goods more expensive on world markets and imports cheaper.

Reiterating the warning sounded by finance ministers from the Group of Seven leading industrial nations this week, Mr. Blair said the balance of risk in the world was shifting toward a slowdown.

This, however, did not mean Britain was facing a recession. "No one is predicting negative growth," he said, referring to the British economy. (Bloomberg, Reuters, AP)

# Buoyant Holland Fears 'Setbacks'

By Robert Kroon  
Special to the Herald Tribune

**THE HAGUE** — Buoyed by an economic boom and a sustained 4 percent growth rate this year—but casting an eye to the global economy—the Dutch government says it is preparing for "shortfalls and setbacks."

"It is as hard for politicians to save reserves for a rainy day as it is for a dog to set aside a sausage, but we intend to hold on to our savings all the same," said Finance Minister Gerrit Zalm, a liberal economist who refers to himself as "national project manager."

The government said this week it was presenting a "cautiously optimistic" state budget assuming growth of 3 percent next year but with provisions for a contraction to 2.25 percent.

"We have the necessary reserves to cope with shortfalls and setbacks," Mr. Zalm said, referring to the national project manager.

ring to the current slowdown in the global economy. He described the budget as "transparent, disciplined and reasonable."

The budget provides for a deficit of 1.3 percent of gross domestic product, well below the 3 percent maximum for membership in the European common currency, and a further reduction in unemployment to under 5 percent, less than half the European Union average. But it also sees a "certain increase" in the already extensive Dutch tax burden to safeguard the nation's generous welfare system.

Government officials point to a persistent shortage in skilled labor, with hundreds of British contract workers filling gaps in the booming building sector and technology companies raiding universities for budding computer specialists.

In case of a severe economic downturn, many analysts predict that there would be sharp tensions in a cabinet made up of economic free-traders and leftist Laborites including Mr. Kok, the prime minister.

The crises in Asia and Russia. The Council of State, the country's highest advisory body, as well as the European Commission have criticized Prime Minister Wim Kok's center-left government for not doing enough to bring down the budget deficit.

Noting the "enormous shortage of skilled labor," Pierre Voncken, an analyst with Lombard-Odier Nederland, said the government's assumption that wages could be kept in check next year was "simply naive."

The question remains whether the country's successful "polder model," the consensus policy of a politically divergent government coalition, can be sustained if the economic climate turns sour.

In case of a severe economic downturn, many analysts predict that there would be sharp tensions in a cabinet made up of economic free-traders and leftist Laborites including Mr. Kok, the prime minister.

# Bundesbank Calls Europe a Haven of Stability

Reuters

**FRANKFURT** — The Bundesbank on Wednesday depicted the economics in Germany and the rest of Europe as havens of calm and stability amid the storm that has disrupted many of the world's financial markets.

In its September report, the central bank said the German economy was growing on a more solid basis than a year ago and that the impact of crises in Asia and Russia had been offset by positive developments.

As a whole, Europe had seen little impact from the crises, the bank said, noting that exchange rates within the future European currency zone had remained stable despite the turmoil on world stock markets and wild currency swings elsewhere.

Nonetheless, the global economy is slowing sharply, and crisis-hit nations must take action rapidly to tackle their problems, the Bundesbank said. "This problem-solving process is likely to be more drawn out and more painful than was first expected," it said.

Referring to the German economy, the central bank said: "The

strengthened economic activity is now on a broader basis than in 1997, when economic growth relied above all on the sharp rise in exports."

Domestic demand is rising, as companies are more willing to invest and private consumption is poised to increase as labor-market conditions continue to improve.

The Bundesbank also said there were two main reasons for the improvement in jobless numbers: the overall economic upturn and job-creation measures targeted at Eastern Germany.

In the first eight months of 1998, 320,000 people were taken off Germany's jobless rolls. But the central bank said Germany had to do more to put the country's 4 million unemployed back to work, calling for labor market reform and tax cuts.

The bank made no explicit comments on its interest-rate outlook, but the tone of the report gave support to recent comments from the Bundesbank president, Hans Tietmeyer. Mr. Tietmeyer has indicated that the Bundesbank has no plans to heed calls for a global round of interest-

rate cuts that some say could help stabilize world markets.

## No Sign of Deflation

There are no signs of depression or deflation in European financial markets, despite the Asian crisis, said Tommaso Padoa-Schioppa, a European Central Bank executive board member. AFX News reported.

The Asian crisis has had only "a marginal braking effect on growth in Europe," he said. As a result, he said, there was no need to lower interest rates.

# SEX: In Corporate America, Powerful Men Find Flings Can Add Allure Without Serious Risk

Continued from Page 13

three secretaries filed a sexual harassment complaint with the U.S. Equal Employment Opportunity Commission, alleging that Mr. Wassong had used foul language and worked in his underwear in front of them, had urinated with the door open, or had hit them. Fifteen other former Wassong secretaries gave the commission similar accounts, and about two dozen

more women told investigators about conduct over three decades.

In 1995, Del Lai paid \$1.2 million to settle the case, then the largest such sexual harassment settlement ever negotiated by the commission. Mr. Wassong did not admit wrongdoing, and his lawyer, Mark Dichter, has said that Mr. Wassong "emphatically denies the allegations of these women." Mr. Wassong remains head of the company.

What insulates executives who cross the line and escape without consequences? Workplace experts say some of them control large blocks of stock, making it hard to remove them without inciting the corporate equivalent of civil war. They also typically control their boards of directors, appointing people likely to support them no matter what.

"When CEOs are behaving badly sexually, but they are meeting their profit-and-

loss numbers and shareholders are happy, then it is not thought to be important behavior," Ms. Klein said.

Those executives who do get the ax for sexual misbehavior usually fall because they were otherwise in trouble. It takes "some other rumbling," combined with poor stock performance or other management problems, Ms. Klein said, to spur a company to remove its highest executives.

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## WORLD STOCK MARKETS

Wednesday, Sept. 16

Daily rates in local currencies.

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Amsterdam AEX Index 282.54

Previous: 282.54

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35.35 35.35 35.35 35.35

AEGON 41.59

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JULY 1998

**Wednesday's 4 P.M.**  
The 1,000 most traded National Market securities  
in terms of dollar value, updated twice a year.  
The Associated Press.

	12 Month High	12 Month Low	Stock	Div	Yld	PE	100% High	100% Low	Low/100% Chg
1	1,320	1,220	ABX	0.00	0.00	14.0	1,320	1,220	0.00
2	1,250	1,150	ABX	0.00	0.00	14.0	1,250	1,150	0.00
3	1,200	1,050	ABX	0.00	0.00	14.0	1,200	1,050	0.00
4	1,150	1,000	ABX	0.00	0.00	14.0	1,150	1,000	0.00
5	1,100	950	ABX	0.00	0.00	14.0	1,100	950	0.00
6	1,050	900	ABX	0.00	0.00	14.0	1,050	900	0.00
7	1,000	850	ABX	0.00	0.00	14.0	1,000	850	0.00
8	950	800	ABX	0.00	0.00	14.0	950	800	0.00
9	900	750	ABX	0.00	0.00	14.0	900	750	0.00
10	850	700	ABX	0.00	0.00	14.0	850	700	0.00
11	800	650	ABX	0.00	0.00	14.0	800	650	0.00
12	750	600	ABX	0.00	0.00	14.0	750	600	0.00
13	700	550	ABX	0.00	0.00	14.0	700	550	0.00
14	650	500	ABX	0.00	0.00	14.0	650	500	0.00
15	600	450	ABX	0.00	0.00	14.0	600	450	0.00
16	550	400	ABX	0.00	0.00	14.0	550	400	0.00
17	500	350	ABX	0.00	0.00	14.0	500	350	0.00
18	450	300	ABX	0.00	0.00	14.0	450	300	0.00
19	400	250	ABX	0.00	0.00	14.0	400	250	0.00
20	350	200	ABX	0.00	0.00	14.0	350	200	0.00
21	300	150	ABX	0.00	0.00	14.0	300	150	0.00
22	250	100	ABX	0.00	0.00	14.0	250	100	0.00
23	200	50	ABX	0.00	0.00	14.0	200	50	0.00
24	150	0	ABX	0.00	0.00	14.0	150	0	0.00
25	100	0	ABX	0.00	0.00	14.0	100	0	0.00
26	50	0	ABX	0.00	0.00	14.0	50	0	0.00
27	0	0	ABX	0.00	0.00	14.0	0	0	0.00
28	1,320	1,220	ABX	0.00	0.00	14.0	1,320	1,220	0.00
29	1,250	1,150	ABX	0.00	0.00	14.0	1,250	1,150	0.00
30	1,200	1,050	ABX	0.00	0.00	14.0	1,200	1,050	0.00
31	1,150	1,000	ABX	0.00	0.00	14.0	1,150	1,000	0.00
32	1,100	950	ABX	0.00	0.00	14.0	1,100	950	0.00
33	1,050	900	ABX	0.00	0.00	14.0	1,050	900	0.00
34	1,000	850	ABX	0.00	0.00	14.0	1,000	850	0.00
35	950	800	ABX	0.00	0.00	14.0	950	800	0.00
36	900	750	ABX	0.00	0.00	14.0	900	750	0.00
37	850	700	ABX	0.00	0.00	14.0	850	700	0.00
38	800	650	ABX	0.00	0.00	14.0	800	650	0.00
39	750	600	ABX	0.00	0.00	14.0	750	600	0.00
40	700	550	ABX	0.00	0.00	14.0	700	550	0.00
41	650	500	ABX	0.00	0.00	14.0	650	500	0.00
42	600	450	ABX	0.00	0.00	14.0	600	450	0.00
43	550	400	ABX	0.00	0.00	14.0	550	400	0.00
44	500	350	ABX	0.00	0.00	14.0	500	350	0.00
45	450	300	ABX	0.00	0.00	14.0	450	300	0.00
46	400	250	ABX	0.00	0.00	14.0	400	250	0.00
47	350	200	ABX	0.00	0.00	14.0	350	200	0.00
48	300	150	ABX	0.00	0.00	14.0	300	150	0.00
49	250	100	ABX	0.00	0.00	14.0	250	100	0.00
50	200	50	ABX	0.00	0.00	14.0	200	50	0.00
51	150	0	ABX	0.00	0.00	14.0	150	0	0.00
52	100	0	ABX	0.00	0.00	14.0	100	0	0.00
53	50	0	ABX	0.00	0.00	14.0	50	0	0.00
54	0	0	ABX	0.00	0.00	14.0	0	0	0.00
55	1,320	1,220	ABX	0.00	0.00	14.0	1,320	1,220	0.00
56	1,250	1,150	ABX	0.00	0.00	14.0	1,250	1,150	0.00
57	1,200	1,050	ABX	0.00	0.00	14.0	1,200	1,050	0.00
58	1,150	1,000	ABX	0.00	0.00	14.0	1,150	1,000	0.00
59	1,100	950	ABX	0.00	0.00	14.0	1,100	950	0.00
60	1,050	900	ABX	0.00	0.00	14.0	1,050	900	0.00
61	1,000	850	ABX	0.00	0.00	14.0	1,000	850	0.00
62	950	800	ABX	0.00	0.00	14.0	950	800	0.00
63	900	750	ABX	0.00	0.00	14.0	900	750	0.00
64	850	700	ABX	0.00	0.00	14.0	850	700	0.00
65	800	650	ABX	0.00	0.00	14.0	800	650	0.00
66	750	600	ABX	0.00	0.00	14.0	750	600	0.00
67	700	550	ABX	0.00	0.00	14.0	700	550	0.00
68	650	500	ABX	0.00	0.00	14.0	650	500	0.00
69	600	450	ABX	0.00	0.00	14.0	600	450	0.00
70	550	400	ABX	0.00	0.00	14.0	550	400	0.00
71	500	350	ABX	0.00	0.00	14.0	500	350	0.00
72	450	300	ABX	0.00	0.00	14.0	450	300	0.00
73	400	250	ABX	0.00	0.00	14.0	400	250	0.00
74	350	200	ABX	0.00	0.00	14.0	350	200	0.00
75	300	150	ABX	0.00	0.00	14.0	300	150	0.00
76	250	100	ABX	0.00	0.00	14.0	250	100	0.00
77	200	50	ABX	0.00	0.00	14.0	200	50	0.00
78	150	0	ABX	0.00	0.00	14.0	150	0	0.00
79	100	0	ABX	0.00	0.00	14.0	100	0	0.00
80	50	0	ABX	0.00	0.00	14.0	50	0	0.00
81	0	0	ABX	0.00	0.00	14.0	0	0	0.00
82	1,320	1,220	ABX	0.00	0.00	14.0	1,320	1,220	0.00
83	1,250	1,150	ABX	0.00	0.00				

## A Push for 'Hard Landing' in Japan

By Sandra Sugawara  
Washington Post Service

TOKYO — For years, Japan has been criticized for moving too slowly to clean up its weak banking system. Now, a surprisingly strong coalition of opposition parties is demanding that the government in Japan adopt a brutal "hard landing" scenario.

The dramatic difference in the approaches to the crisis of the governing Liberal Democratic Party and the opposition parties, led by the Democratic Party, has made it difficult for the two sides to reach an agreement despite intense pressure from overseas.

On Wednesday, two American officials who were visiting Tokyo, the U.S. trade representative, Charlene Barshefsky, and Stuart Eizenstat, undersecretary of state for economic affairs, both reiterated long-standing U.S. frustration over Japan's slowness in dealing with its banking crisis. The continuing erosion of Long-Term Credit Bank of Japan Ltd., a major lender, added to the urgency to find a solution.

Until recently, the Liberal Democrats had been planning to enact banking measures before Prime Minister Keizo Obuchi's meeting in New York next week with President Bill Clinton, to highlight Mr. Obuchi's ability to lead Japan out of its recession.

Yet, on Wednesday night both sides said the talks were deadlocked. Because the Liberal Democrats do not have a majority in the upper house of Parliament, the party needs some opposition votes to get its measures passed. "Chances for a break through tonight are remote," Hideyuki Aizawa, a senior Liberal Democratic lawmaker, said this evening, Bloomberg News reported.

Liberal Democratic officials have said that none of Japan's major 19 banks should be allowed to fail because of the risk to the financial system. They want to use a \$97 billion fund to inject money into weak but viable banks. Analysts have said that many Japanese banks have insufficient capital, because borrowers have not paid back more than \$600 billion in loans.

In contrast, the opposition groups have advocated strict disclosure and bad loan reserve requirements that Democratic Party leaders acknowledge could result in the closure of about half of the major banks in Japan. They also want to eliminate the \$97 billion fund. Instead, they have discussed establishing a smaller fund that would enable the government to nationalize banks with insufficient capital. It would also allow the government to inject money into banks that agreed to buy the good assets — the loans that are repaid on time — from banks that have been liquidated.

Naoko Nemoto, a banking analyst at Eisei Ito, chairman of the Democratic Party's policy-research committee, said a banking industry shakeout was necessary because there were too many banks in Japan. "Tax money should not be used to prop up a bankrupt bank," he said. The Democratic Party has argued that nationalization of the bank will prevent panic because the government can end the banks' activities in an orderly fashion and meet the banks' international obligations. The good assets would be sold off, and the bad loans would go to a U.S.-style Resolution Trust Corp.

Meanwhile, the governor of the Bank of Japan, Masaru Hayami, said Wednesday that the Japan premium — the extra amount charged to Japanese banks because of perceived risks — had been rising. Mr. Hayami also told Parliament that only a few Japanese banks could directly raise funds in the euro interbank market these days.



Naoko Nemoto, the opposition Democratic Party chief, calling for steps to end Japan's financial crisis.

Standard & Poor's Corp. who has been critical of Japan's handling of its weak banks, said the proposal of the opposition groups also had major risks. "By abolishing the 13 trillion yen fund, the financial system could become more unstable than it is now," said Mrs. Nemoto. Also, if the government allows Long-Term Credit to go bankrupt, that means its pledge to protect the major 19 banks is worthless, she said.

But Eisei Ito, chairman of the Democratic Party's policy-research committee, said a banking industry shakeout was necessary because there were too many banks in Japan. "Tax money should not be used to prop up a bankrupt bank," he said. The Democratic Party has argued that nationalization of the bank will prevent panic because the government can end the banks' activities in an orderly fashion and meet the banks' international obligations. The good assets would be sold off, and the bad loans would go to a U.S.-style Resolution Trust Corp.

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### Hopewell to Halt Java Project

Compiled by Our Staff From Dispatches

HONG KONG — Hopewell Holdings Ltd. said Wednesday it had halted work on a large power project in Indonesia and that it may take a charge of 4.8 billion Hong Kong dollars (\$619.7 million) to absorb the costs.

It is the second setback faced by the infrastructure company in Southeast Asia because of the regional financial crisis. It had previously shelved an elevated railroad project in Thailand.

The company said it told its bankers the Tanjung Jati B power plant in western Java could not be completed until economic conditions in the country improved.

Sir Gordon Wu, chairman of Hopewell, said the notice had been issued to safeguard the company's investment in Indonesia, which is suffering a severe financial crisis.

The power project is a 1,200-megawatt coal-fired power plant, and Hopewell has the right to operate the plant for 30 years. Hopewell said the project was originally scheduled for completion in 2000 and was now 70 percent complete.

The Hong Kong-based company has an 80 percent stake in the project. Sir Gordon said he hoped his company could eventually restart the project. (AFP, Bloomberg)

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Vision Falters

## GM to Triple Stake In Suzuki to 10%

*U.S. Carmaker Seeks More Access to Asia*

Compiled by Our Staff Price Dispatchers

TOKYO — General Motors Corp., the world's largest automaker, said Wednesday it would pay \$315 million to triple its stake in Japan's Suzuki Motor Corp. and gain better access to Asian markets.

GM will raise its stake in Japan's largest maker of minivehicles to 10 percent from 3.3 percent and cooperate with Suzuki on design, production and marketing. GM will buy 33.6 million new Suzuki shares at 1.258 yen (\$0.41) each. The shares closed at 1.238 in Tokyo trading, down 2.

The deal calls for Suzuki to take primary responsibility for the design and development of small passenger vehicles and minivehicles, particularly in Asia. A minicar has less than half the engine power of an average compact car. GM will be responsible for midsize and large passenger vehicles.

The two companies also agreed to exchange information on advanced technology in areas such as alternative fuels and intelligent vehicles.

Suzuki and GM operate a joint venture in Canada that makes small vehicles for North America. They have also agreed to jointly develop compact cars for sale in Europe.

"In many areas of the world where GM needs to be, Suzuki is already there," GM's chairman, John Smith, said at a joint press conference in Tokyo with Osamu Suzuki, president of Suzuki. "This has to do with being a strong player in the rest of the globe where markets are growing relatively faster."

Suzuki said it needed GM to expand its product range beyond compact and minivehicles and to move into markets where it has little presence — including Latin America, Africa and Eastern Europe.

"We are good at mini and small cars, and we can use GM plants to produce them," Mr. Suzuki said. "We can produce a full line of vehicles by leveraging GM support."

Suzuki said it would use the pro-

ceeds from the share sale to invest in plants, equipment, research and development.

The move follows a string of mergers in the global auto industry that has forced many smaller carmakers to consolidate.

In July, Daimler-Benz AG of Germany and Nissan Diesel Motor Co. of Japan said they would jointly develop a light truck as the first step in a broader tie-up.

Ford Motor Co., the world's second-largest automaker, is considering increasing its 33.4 percent stake in Mazda Motor Corp., Japan's fifth-largest automaker; and Toyota Motor Corp., Japan's biggest automaker, last month took a majority stake in Daihatsu Motor Co., Japan's second-largest minivehicle maker, to expand into subcompact cars.

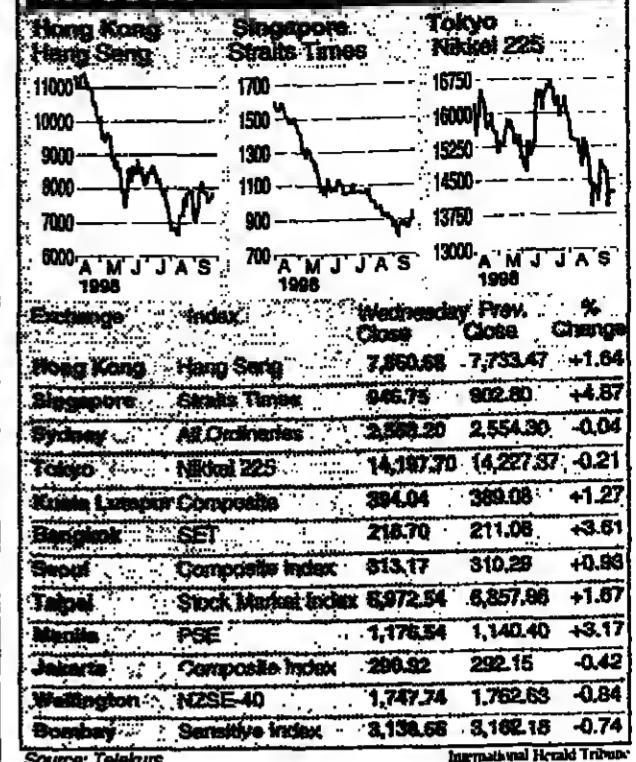
(Bloomberg, AP)

THE SHOW BEGINS — U.S. and Chinese officials attending the gala opening of Universal Studios' theme attraction in Beijing. Located in the middle of the capital, the attraction expects to draw about 1,400 visitors a day. An adult entrance ticket in peak season is to cost 35 yuan (\$4.23).



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## Investor's Asia



Source: Teletext

International Herald Tribune

## Very briefly:

• Seven of Japan's 19 major banks, including bank of Tokyo-Mitsubishi, the nation's largest, may face a credit ratings cut for the second time this year by Standard & Poor's Corp. or Moody's Investors Service Inc. The two U.S. ratings companies cited the inability of Japan's political leaders to agree on measures to help the banks.

• Fortis NV, a Dutch-Belgian financial-services company, scuttled plans to buy a 15 percent stake in AMMB Holdings Bhd, dashing the Malaysian financial concern's hopes of raising about \$190 million in capital.

• China's economy is forecast to grow 9.1 percent in the fourth quarter from a year earlier, the Xinhua news agency said, quoting a government think tank. The report said such a rate in the fourth quarter would allow China to achieve its 1998 growth goal of 8 percent.

• Ascent Holdings Ltd., an Australian airline, plans to cut services and fire employees as part of a drive to cut costs and raise profit to 10 percent of its revenue in three years.

• Daiwa Bank Ltd. of Japan plans to close its Swiss subsidiary this month, the Kyodo news agency quoted company sources as saying.

• South Korea's foreign-exchange reserves rose to a record \$42.92 billion as of Tuesday from \$41.35 billion at the end of August, the Bank of Korea said. The increase reflected the return of emergency settlement loans extended to financial institutions last year.

(Bloomberg, Reuters, AP)

## Big Borrower From Ailing LTCB Is Said to Fail

Compiled by Our Staff Price Dispatchers

TOKYO — Nippon Nihon Lease & Development Corp., a finance company that is a big borrower from the ailing Long-Term Credit Bank of Japan Ltd., failed Wednesday, a credit agency said.

Nippon Lease, with about 69.4 billion yen (\$518 million) in debts, filed for court protection from its creditors, said Teikoku Dantousha.

A spokesman for UBS in Tokyo said

in three-way talks with UBS and Sumitomo Trust about its future.

"Talks are still going on between UBS and Sumitomo Trust, and we have yet to reach a conclusion," said Ichiro Murakami, an LTCB spokesman. LTCB would issue a statement on the report later, he said.

A spokesman for UBS in Tokyo said

the bank would not comment on speculation.

The Nihon Keizai newspaper reported that LTCB and UBS would dissolve their business alliance formed last year and would probably dissolve their cross-shareholding agreement. It said UBS would buy most of the stake in two joint

ventures the two companies had agreed to establish — a brokerage and an asset-management company. UBS will expand its business in Japan through the two affiliates, the report said.

LTCB shares plunged 34 percent to close at 25 yen.

(AFP, Bloomberg)

## Warburg Dillon Read and Nikko Securities Cut Asia Staffs

Bloomberg News

HONG KONG — Warburg Dillon Read and Nikko Securities Co. fired a total of 80 people in their Asian securities businesses Wednesday.

The cuts follow similar reductions in Asia by banks and brokerage companies such as J.P. Morgan & Co., Bankers Trust Corp. and Daiwa Securities Ltd. Tumbling fi-

nancial markets and slowing trading volume have drastically cut company income.

While Warburg cited the slowing economies of Asia, it also said some of the job cuts had resulted from the merger of Swiss Bank Corp., which had been Warburg's parent, with Union Bank of Switzerland, a deal that formed UBS.

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# HERALD TRIBUNE

# INTERNATIONAL

# SPORTS

THURSDAY, SEPTEMBER 17, 1998

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## WORLD ROUNDUP

### 'McGwire Stuck at 63'

#### Pinch-Hit Homer Breaks 6-Game 'Drought'

By Ira Berkow  
New York Times Service

ST. LOUIS — Mark McGwire had not hit a home run in six games, ever since he passed Roger Maris to set the major league single-season record amid a national furor. And to some, the sky was falling. A headline in a local newspaper Tuesday read, "McGwire Stuck at 62."

To add to the misery of McGwire's fans, Sammy Sosa, his once and future nemesis and, oddly enough, pal, had gone during the week from 52 home runs to 62, equaling McGwire's total.

Then there was the problem with McGwire's back; he had suffered recent spasms. And so Tuesday night, in the first game of a doubleheader against the Pittsburgh Pirates, the St. Louis Cardinals' manager, Tony La Russa, rested McGwire.

But as is the wont of the best-laid plans of rodents and managers, things changed. And so, abruptly, did the home run race. McGwire was called on by La Russa to pinch-hit for Delino DeShields in the ninth inning of the first game, with the Cardinals trailing by 8-3, one out and no one on base.

As the mighty, right-handed-hitting McGwire stepped to the plate, the crowd of 41,271 at Busch Stadium stood and cheered. They remained on their feet as McGwire swung at a 1-0 pitch from the left-hander Jason Christensen and sent one of his classic, arching blows into the left-center-field stands, his 63rd home run of the season to break tie with Sosa and extend the home run record.

The Cardinals came out on the losing end of the game, however, 8-6.

When asked after the game how he felt about breaking the record again, McGwire replied, "It's not a record until the season is over."

On a pinch-hitting, McGwire said: "It's a tough job. You're sitting around all day and then you have to get up there and swing."

In the second game, which the Cardinals won, 9-3, McGwire was 1 for 3 with a double and two walks.

Before the game, McGwire said that he was only beginning to understand what his and Sosa's pursuit of the record had meant to the country and maybe to the world.

"It's amazing," he said, standing in front of his locker in the Cardinals' clubhouse. "I've seen the editorials and the front-page stories about what this means to people. Just today I got a letter

from the prime minister of Japan and from Bob Dole."

McGwire mentioned the "Stuck on 62" headline and laughed. "Imagine, 'Stuck' on 62. I think we've spoiled these people. Last night I got two singles, and, 'Boo, boo!'"

It wasn't quite that way, though fans are disappointed when McGwire does not belt a ball over the fence. The fans are more for the umpire, when he calls a strike on McGwire, and for the opposing pitcher, when he throws a pitch for a ball to McGwire.

McGwire and Sosa have put a new face on competition. McGwire, the son of a Southern California dentist, and Sosa, from an impoverished background in the Dominican Republic, have been as close to brotherly love as possible amid these conditions.

"People have looked at athletes these days as greedy or arrogant and then they see Sammy and I truly respecting one another, and liking one another," McGwire said. "Two guys from two different backgrounds and countries appreciating what the other is doing."

Before Tuesday night's game, McGwire had only three hits, all singles, in his last 18 at-bats. He had back spasms Sunday, but he said his back was now "outstanding."

The longest he had gone without a home run this season was, as he said, "20-something at-bats." It was in early August, and he recalled telling reporters, "There's more important things in the country than worrying about my hitting a home run."

About that statement, McGwire said: "I got kind of testy. But I'm human. It's a six-month season. And if you average 10 homers a month, you can break the record. And I had been averaging that. But I also hadn't yet realized just what all this meant to people."

Players told McGwire to enjoy the experience and pointed to Sosa, who was taking pleasure in it. "But Sammy wasn't like Griffey and me," McGwire said. "He hadn't gone through all the questions before."

McGwire had 58 homers last season and Ken Griffey Jr. had 56; Sosa had 36. "So Griffey and I have been getting it since last year, 'Can we break the record?'" McGwire said. But on the weekend of Aug. 7, the Cubs and Sosa were here for a series.

"It was before a game, and Sammy and I looked at each other," McGwire said. "And I guess we both thought, 'All right, all the cameras are around, let's make them happy.' They ran at each other and embraced. And then some 10 days later, in a series between the two teams in Wrigley Field, they did it again.

When McGwire broke Maris's record, it was against the Cubs, and Sosa ran in from his position in right field to hug McGwire. After Sosa hit his 61st and 62d homers last Sunday, McGwire called to congratulate him.

A woman called La Russa's office.



Mark McGwire going downtown with No. 63. Despite the home run, the slugger's Cardinals lost to the Pirates.

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She had heard that McGwire was going to play in one of the two games, but didn't know which one. If it's the first, she told La Russa, she would leave work early.

La Russa had decided to play McGwire in the second game because, he said, "more people will be at the second game than the first, and that would just give more people an opportunity to see Mark."

McGwire was asked if he would be

disappointed if Sosa finished ahead of him in homers, thereby establishing the record.

"Not at all, not one iota," he said. "All I can do is control what I can do. I've done what I've done. However we end up, how can anybody say anything negative if one is ahead of the other at the finish?"

And if the two are tied for homers at season's end in a few weeks? "That," he said, "would be wonderful."

### A Record Victory Cuts Angels' Lead

The Associated Press

Rolando Arrojo set a record for victories by a first-year expansion team's pitcher as the Tampa Bay Devil Rays tripped off Anaheim, 8-1, slowing the country down.

Anaheim's lead over second-place Texas was cut to one game as the Rangers rallied in the ninth to beat Baltimore.

Tampa Bay scored six runs off Jeff Juden (1-3) and Rich Buerk (4-2), two-run homer off Mike Peters on Tuesday night to help Arrojo (14-12) win for the first time at home since June 17. Arrojo struck out four and walked two.

He had been tied at 13 victories with Ken Griffey Jr. had 56; Sosa had 36.

"So Griffey and I have been getting it since last year, 'Can we break the record?'" McGwire said. But on the weekend of Aug. 7, the Cubs and Sosa were here for a series.

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## SCOREBOARD

### BASEBALL

#### MAJOR LEAGUE STANDING

AMERICAN LEAGUE	EAST DIVISION	MIDWEST DIVISION	WEST DIVISION
1. New York	10-1	10-1	10-1
2. Boston	9-2	9-2	9-2
3. Atlanta	8-3	8-3	8-3
4. Tampa Bay	7-4	7-4	7-4
5. Cleveland	7-5	7-5	7-5
6. Detroit	7-6	7-6	7-6
7. Texas	7-7	7-7	7-7
8. Minnesota	7-8	7-8	7-8
9. Seattle	7-9	7-9	7-9
10. Kansas City	7-10	7-10	7-10
11. Chicago	7-11	7-11	7-11
12. Baltimore	7-12	7-12	7-12
13. Philadelphia	7-13	7-13	7-13
14. San Diego	7-14	7-14	7-14
15. Los Angeles	7-15	7-15	7-15
16. Milwaukee	7-16	7-16	7-16
17. San Francisco	7-17	7-17	7-17
18. Colorado	7-18	7-18	7-18
19. Arizona	7-19	7-19	7-19
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68. Colorado	7-68	7-68	7-68
69. Arizona	7-69	7-69	7-69
70. Houston	7-70	7-70	7-70
71. St. Louis	7-71	7-71	7-71
72. Pittsburgh	7-72	7-72	7-72
73. Atlanta	7-73	7-73	7-73
74. San Diego	7-74	7-74	7-74
75. Los Angeles	7-75	7-75	



## ART BUCHWALD

## Howl of the Tabloids

NEW YORK — I was sitting on the subway next to two men reading their tabloid newspapers. The stories had to do with Clinton grand jury testimony.

One man said to the other, "Kinky."

The other said, "Sleazy."

"Impeachment."

"Kinky, sleazy, impeachement," No. 2 said.

"And an apology thrown in."

The second said, "Don't forget perjury."

"Or suborning justice."

"If I demanded forgiveness my wife would kill me."

"What about stuff that went on in the Oval Office when we were trying to get a decent health care bill?"

"Phone sex. If you live in the White House, you can't ignore phone sex."

"Or any other kind of sex."

"My tabloid says the DNA tests are 8 million in favor of Clinton."

## Lincoln Center Given \$25 Million

New York Times Service

NEW YORK — A record \$25 million has been given to the Lincoln Center for the Performing Arts by a new board member, Julian Robertson Jr., chairman of the investment fund Tiger Management. Lincoln Center officials said the fountain plaza would be renamed in honor of Robertson's wife, Josie.

Announcing the donation Tuesday, they called it the largest single gift to the center by an individual and said the money would be divided among the center's own artistic programs and its 12 constituent members, with the largest share going to members through outright grants.

Among other things, the money will help underwrite new series, such as one on American popular standards that is to start in February, said Nathan Leventhal, Lincoln Center's president. The largest constituent, the Metropolitan Opera, will receive about \$4 million.



FOR OPENERS — Elizabeth Hurley and Ben Stiller, stars of "Permanent Midnight," at the premiere of the movie in New York.

## Stung, This Nobel Laureate Is Still Taking Risks

By Nicholas Wade  
New York Times Service

ANDERSON VALLEY, California — Kary Mullis, Nobel laureate in chemistry, is jumping up and down at the kitchen table of his cabin, a place in the woods several miles beyond the end of the paved road. His large head and wiry body shake as if in rage. From his lips comes an angry buzzing sound.

He is imitating a swarm of yellow jackets, acting out an episode in which the wily insects ambushed him, inflicting five stings around the mouth, after he had attacked their nest. He goes on to tell how he invented a novel brew, concocted in his kitchen blender, that eliminated the aggressors from his property for a season.

He feels the same way toward his former colleagues at Cetus Corp., where he invented the technique that won him the Nobel Prize. "None of those vultures had anything to do with it," he says emphatically. He is aggravated that Cetus paid him a mere \$10,000 for the discovery but later sold it to Hoffmann-La Roche for \$300 million.

His invention, known as the polymerase chain reaction or PCR, is used for amplifying chosen sections of DNA and has quickly become an essential tool for biologists, DNA forensics labs and almost anyone else who needs to study genetic material.

Science has been just one of the keen interests in Mullis's life, competing with psychoactive drugs and women, although he is now happily married to his fourth wife, Nancy Cosgrove. His newest interest is writing. A book of essays, "Dancing Naked in the Mind Field," was published last month by Pantheon.

For those who would like to analyze creativity and sell it in bottles, Mullis would seem a promising subject. His invention is highly original and significant, virtually dividing biology into two epochs — before PCR and after PCR. Yet

the Mullis formula for creativity, on closer inspection, is a brew published last month by Pantheon.

"His only slides (on what he called 'his art') were photographs he had taken of naked women with colored lights projected on their bodies," Martin continued. "He accused science of being universally corrupt with widespread falsification of data to obtain grants.

probably somewhat unsuitable for general consumption.

One ingredient is unbounded self-confidence. "Part of it has to do with his ego and belief that he's much smarter than the people around him," said Corey Levinson, a former Cetus colleague. "Most people who launch into an unfamiliar area would first speak to recognized authorities and get all the background. Kary saw that as a waste of time. He figured it would take less time to do the experiments himself."

Mullis's friends speak of his physical as well as intellectual risk-taking. Frank McCormick, a cancer biologist at the University of California, recalls seeing Mullis in Aspen skiing down the center of an icy road through fast two-way traffic. "Mullis had a vision that he would die by crashing his head against a redwood tree. Hence he is fearless wherever there are no redwoods," McCormick said.

Along with lack of fear comes a lack of concern about people's opinions. In his book Mullis describes episodes that others might keep private, such as the time he addressed the Empress of Japan as "sweetie" when being awarded the Japan prize, and how he was nearly arrested when he went to Stockholm for his Nobel Prize, for playing a laser beam from his hotel room at passers-by.

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